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POLITICAL SCIENCE QUARTERLY

PAYING FOR ALASKA

SOME UNFAMILIAR INCIDENTS IN THE PROCESS

EARLY September in the District of Columbia is usually hot and oppressive, and statesmen whose duties keep them in Washington find excursions into the surrounding country indispensable to health and comfort. The year 1868 and the statesmen then in charge of the government were no exceptions to this rule. Thus it happened that two high officials of the administration took an outing together one day. The incidents of their expedition were doubtless for the most part utterly commonplace, and no record of them has remained. A single episode, however, made so deep an impression on one of the picknickers that, on his return home, he penciled an account of it on a sheet of notepaper and laid it aside for future reference. There is no evidence that he ever referred to the memorandum, and it appears to have lain unnoticed among his papers for thirty-seven years. In 1905 a browsing student of history happened upon it and was struck by the light that the paper threw on certain generally forgotten incidents of the time. The memorandum, precisely as written save that a few unimportant doubts about orthography are resolved in favor of the writer, is as follows:

On the 6th Sept Sundy 1868 Mr. Seward and myself rode out some seven or eight miles on the Road leading to Malsboro Md—near place called old fields, we drove out into a shady grove of oak trees—While there taking some refreshment, in the current of conversation on various subjects, the Secretary asked the question if it it had ever occurred to me how few members there were in congress whose actions were entirely

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above and beyond pecuniary influence. I replied that I had never attempted to reduce it to an accurate calculation, but regretted to confess that there was a much smaller number exempt than at one period of life I had supposed them to be—He then stated you remember that the appropriation of the seven $ million for the payment of Alaska to the Russia Govnt was hung up or brought to a dead lock in the H of Reps—While the appropriation was thus delayed the Russian minister stated to me that John W. Forney stated to him that he needed—$30,000 that he had lost $40,000, by a faithless friend and that he wanted the $30,000 in gold—That there was no chance of the appropriation passing the House of Reps without certain influence was brought to bear in its favor—The 30,000 was paid hence the advocacy of the appropriation in the Chronicle—He also stated that $20,000 was paid to R. J. Walker and F. P. Stanton for their services—N P Banks chairman of the committee on foreign relations $8000, and that the incoruptable Thaddeous Stevens received as his '*sop*' the moderate sum of $10,000—All these sums were paid by the Russian minister directly and indirectly to the respective parties to secure appropriation of money the Govnt had stiputed to pay the Russian Govnt in solemn treaty which had been ratified by both Govmts.—

Banks and Stevens was understood to be the counsel for a claim against the Russian Govnt for Arms which had been furnished by some of our citizens—known as the Perkins Claim—Hence a fee for their influence in favor of the appropriation &c—Banks was chairman of the Committee on foreign retions—

No patriotic citizen of the United States can read the above lines without a feeling of shame and a sense of the indignation that manifestly burned in the writer. On the other hand, no one familiar with the politics of the time will fail to realize the very human if somewhat malicious satisfaction with which the references to John W. Forney and "the incoruptable Thaddeous Stevens" were set down; for these two men had for two years been most ruthless assailants of the administration, and the writer of the memorandum was no less a personage than Andrew Johnson, president of the United States.

While the first impression produced by reading the memorandum is the discouraging one that our acquisition of Alaska was tainted by corruption, a little reflection shows that the case

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is not at all clear. This account of what happened is, in the first place, but hearsay in the second degree: it is Johnson's account of Seward's report of what Stoeckl, the Russian minister, said. That Johnson set down as exactly as he could remember what Seward said, seems beyond doubt from the very circumstances of the case. The memorandum, though undated, bears evidence of having been made on the day of the conversation or shortly thereafter.[1] Seward's talk with Stoeckl, however, must have been many weeks, if not several months, in the past when it was reported to Johnson; and, moreover, Seward was notoriously prone to narrative and reminiscence that were more conspicuous for picturesqueness than for strict accuracy. Especially characteristic was this of Seward when the cheering cup was in circulation; and it is to be noted that, according to the memorandum, the conversation with Johnson took place while the two were partaking of "refreshment," which may have included liquids. There is room, thus, for doubt as to the details of Seward's story, though not, I think, as to its general features. There remains, of course, room for question as to whether Stoeckl told the truth to Seward. On several of these matters of uncertainty some light is thrown by circumstances antecedent or subsequent to September, 1868, that are part of recorded history. On the other hand, some of these circumstances assume a very entertaining aspect in view of the hitherto unknown memorandum.

Before taking up these historical matters, it should be pointed out that of the recipients of the Russian's bounty named in the memorandum only two were actually in the service of the govment. General N. P. Banks was chairman of the House committee on foreign affairs, and Thaddeus Stevens, who died August 11, less than a month before the conversation between

[1] How deeply impressed the president was by Seward's story is suggested by the very fact that he wrote down the account of it with his own hand. As was well known to his intimates, writing was a most difficult operation to Mr. Johnson. This was due, not, as his enemies often said, to his illiteracy, but to the fact that the muscles of his arm had been seriously injured some years before he became president. Among the papers of his presidential term preserved in the Library of Congress there are very few examples of his own handwriting, and among the few there is not one more lengthy than the memorandum under consideration.

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Seward and Johnson, was chairman of the committee on appropriations and leader of the majority. These two influential men could not have accepted money from the Russian minister save for reasons that could not bear the light of day. Of the other persons named, Robert J. Walker and Frederick P. Stanton were well-known lawyers of Washington, both formerly in the public service, Walker having been secretary of the treasury under Polk. The other man named in the memorandum, John W. Forney, was proprietor of two newspapers, the Washington *Chronicle* and the Philadelphia *Press*. He had been secretary of the Senate till June 4, 1868. Forney's course in relation to public affairs had created a widespread impression that the editorial attitude of his papers was not determined always and exclusively by considerations of abstract righteousness. President Johnson himself had contributed something to confirm this impression by making public a letter in which Forney, in urging a certain course respecting policy and patronage, had very suggestively called the president's attention to the influence of "my two newspapers, both daily."

Let us now see what the precise status of the Alaska question was on the sultry Sunday when Seward and Johnson talked it over. The treaty of purchase had been formally signed by Seward and Stoeckl March 30, 1867. The opposition to ratification was but slight in the Senate, and the treaty, duly ratified, was proclaimed in force June 20, 1867. Shortly afterward, on July 6, 1867, it was laid before Congress by the president, with the request for an appropriation of the purchase price, $7,200,000 in gold. There was no expectation that the measure would be passed immediately; for, regardless of other reasons, the majority was absorbed in the conflict with Johnson over the process of reconstruction in the South. The administration, however, assuming that the cession was complete upon the promulgation of the treaty, proceeded to take possession of the new territory. On October 11, 1867, the Russian officials formally transferred Alaska to General Rousseau, who had been sent by the president to receive it. Thus, when Congress resumed its work in November, Russia's obligations under the treaty were fully discharged, but the American *quid pro quo* had

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not been rendered. Nor was it entirely certain that the payment for the new territory would be forthcoming. Evidence promptly appeared in the House of Representatives of a vigorous opposition to the necessary appropriation. Various resolutions were introduced expressing not only the opinion that Alaska was not worth the price agreed upon and that the treasury could not in any case afford so large an outlay, but also a feeling of resentment at the procedure of the administration in hastening to take possession of the territory and endeavoring thus to coerce the House into accepting the purchase as a *fait accompli*. Shortly after the Christmas recess, Congress became absorbed in the fierce politics of the impeachment of the president. While the passions of this episode dominated the majority in Congress, the most elementary dictates of practical wisdom would deter the friends of the Alaska appropriation from bringing it forward; for one influence in creating opposition to it was a blind hatred on the part of many Radicals toward any policy or any measure that might reflect credit on Johnson and Seward. Not until May 18 was a bill making the appropriation reported from the committee on foreign affairs by its chairman, General Banks. Six weeks more elapsed before the bill was considered. On June 30 the debate opened in the House, and after two weeks of sharp discussion the bill was passed July 14, by a vote of 113 to 43. The Senate gave but little time or attention to the bill, having threshed out the subject when the treaty was before it, and the bill became law on July 27, just as the session of Congress ended, and six weeks prior to Seward's conversation with Johnson.

In the record of the slow progress of the bill various items in this conversation find illumination. The statement in the memorandum that the appropriation was "hung up or brought to a deadlock" in the House obviously refers to the period of inaction prior to May, 1868. During this period Forney's papers gave steady and strong support to the acquisition of Alaska, although in every other respect they went to the utmost extreme of antagonism to Johnson. It was indeed the virulence with which they assailed the senators who voted to acquit the president that led to Forney's not wholly voluntary resignation as

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secretary of the Senate, May 12. During the debate on the bill it was freely intimated, by allusions to "mercenary editors," that financial reasons were behind the support that Forney's *Chronicle* and other papers gave to the appropriation.

The attitude of Thaddeus Stevens toward the appropriation was hardly less surprising than Forney's. No more vindictive adversary of Andrew Johnson had appeared than this old man, who, though struck with mortal illness, strained his declining forces to the very end of the session to retrieve in some way the failure to drive Johnson from the White House. Yet on the appropriation for Alaska Stevens gave his voice, with the full force of his magisterial manner, in support of the administration's measure. He may of course have been influenced solely by a conviction that the measure was a good one; or he may have regarded it as Seward's rather than Johnson's, and thus entitled to consideration in memory of the old Whig and anti-slavery days. There is evidence in the Johnson Papers that Stevens never ceased to feel a certain sympathetic relation to Seward that he felt toward no other of Johnson's advisers. In view of this fact, it is rather sad to realize that Seward should have been responsible for making public the suggestion that Stevens's support of the Alaska bill was paid for.

It is explained in the memorandum that the participation of Banks and Stevens in the Russian minister's bounty was due to their connection with the "Perkins claim." The intimation apparently is that they were bribed to abandon the attitude of hostility to Russia that their connection with this claim was assumed to make natural. There is thus a particularly unpleasant reflection upon the character of the two men; for it is implied that they were corrupt not only in their public capacity but also in relation to their private clients. This Perkins claim was well known in Washington. Indeed, it appears from time to time through thirty years of our history. During the Crimean War arms were furnished to the Russian government by an American named Perkins, who claimed that he was not paid for them. He, and after his death his widow, sought to get the government of the United States to take up the case. Secretary Cass and Secretary Seward both considered the claim

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with attention, but without decisive outcome. It figured afterward in the affair that resulted in the dismissal of Catacazy, Stoeckl's successor, by Secretary Fish; and it received its quietus only in 1885, by adverse action in Congress.

That this Perkins claim was depended upon by the opposition in antagonizing the Alaska appropriation was revealed in the debate on the bill. Ben. Butler was one of the most determined adversaries of the bill, and his principal speech included an indignant and almost tearful demand that, before so large an amount of money were sent to Russia, that government should be obliged to pay the just claims of American widows and orphans. He moved an amendment providing that $500,000 of the amount due should be retained to satisfy such claims. No one in Congress was likely to be much affected by Butler's emotion concerning the widows and orphans. All the initiated must have understood that his amendment was but an incident in that operation known in political dialectics as putting an adversary in a hole. If, as the Johnson memorandum alleges, General Banks was associated with the Perkins claim, Butler's amendment was a rather awkward thing for Banks to handle. It would be a demonstration in favor of his clients, but would inevitably kill the appropriation bill that was in his charge. He evaded the trap with success, if not with grace, by objecting to the amendment as not germane, "without expressing any opinion in regard to the subject matter." His point of order was sustained.

The passage of the appropriation bill and the adjournment of Congress by no means ended the incidents bearing on the subject matter of Seward's conversation with Johnson. Indeed the most interesting revelations were yet to come. There were mighty muckrakers in the land before a successor of Andrew Johnson gave its name to the tribe. They flourished greatly in Washington in 1868, and before Congress reassembled in December they had accumulated an imposing mass of their dainty commodity in connection with the Alaska bill. The beginning was the discovery that, while the sum paid Russia was $7,200,000 in gold, the draft transmitted abroad was for a less sum. A report from London asserted that the face of the draft as it

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passed through that financial center was only $5,000,000. This would leave a tidy $2,200,000 unaccounted for, and rumor became busy answering the question: Who got it? The answers, for the most part not at once published, ranged over a startling field, both as to persons and amounts. Seward was credited with $250,000; Banks was put down for the same amount; a number of other Congressmen were on the list; and all the leading newspaper correspondents in Washington were included among the alleged recipients of the Russian bounty. Early in December, just before Congress assembled, an article was published in the Worcester *Spy* embodying the bulk of these scandalous reports. Naturally the House of Representatives ordered an investigation, which was duly carried on by the committee on public expenditures. The results were admitted by the committee in its report[1] to be scanty and unsatisfactory. Chiefly responsible for this was the fact, reported and regretted by the committee, that the Russian legation failed to embrace the opportunity tendered to it by the committee of making a statement concerning the matter under investigation. It is not hard to understand, with Johnson's memorandum before us, some of the probable reasons why the legation did not avail itself of this opportunity. The memorandum enables the present reader of the testimony to get much more satisfaction, or at least entertainment, out of it than was got by the committee that took it. Let us consider some points.

In the first place it was easily proved that the amount of money transmitted abroad was actually less than the total payment by the United States. The discrepancy was, however, nothing like what had been reported. The full amount of the appropriation, $7,200,000, was paid by the Treasury to M. Stoeckl, but he sent abroad only $7,035,000, less the bank's commission. The remainder, $165,000, was deposited with the bank to the credit of the minister. Of this sum $26,000 was paid to Robert J. Walker, and the rest was paid to the minister in various amounts between August 1 and September 16, 1868. What M. Stoeckl did with all of this $139,000, the committee

[1] H. R. Reports of Committees, Fortieth Congress, Third Session, no. 35.

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was unable to ascertain. A paltry $4000 was all that could be traced. Of this, $3000 in gold was paid to a brother of John W. Forney, under circumstances to be mentioned later, and $1000 in greenbacks went to a California newspaper man named Noah, in recognition of his voluntary services in furnishing information about Alaska. There thus remained $135,000 unaccounted for. Several witnesses testified as to Stoeckl's complaints about the excessive cost of telegraphing to his government; whether this and other like expenses absorbed the whole of the amount in question must be unknown. It would not be utterly irrational, however, to believe that there was a sufficient margin in this sum to cover comfortably the $68,000 referred to in the Johnson memorandum. Nor is it without interest to reflect that, if this money was distributed out of the funds on deposit from August 1 to September 16, the process of distribution was going on at the very time when Seward reported the affair to Johnson. The secretary may have been aware of the operation, in which case the course taken by the current of conversation, when the eminent picknickers were refreshing themselves on that hot Sunday, is easily explicable.

As regards the relation of Walker, Stanton and Forney to the Alaska bill, the testimony before the committee is very suggestive when compared with the memorandum. The $20,000 mentioned in the latter as paid to Walker and Stanton proves to be the amount specified as the fee of Walker when he was employed by Stoeckl as counsel to press the bill. Eventually Walker received $26,000 in gold, out of which he paid Stanton $5000 in greenbacks for services rendered. The services of the two lawyers, as described by themselves, took the form of conversations with congressmen and contributions to the press. Banks and Stevens were among the congressmen conversed with, but details of the conversations were not given. The testimony of Walker and Stanton inevitably suggested that they were exceedingly well paid for very little work, and explained the rumors that Walker was the intermediary through whom money went to congressmen and newspapers. But both lawyers denied in the most absolute form all knowledge of payments to public officials. Walker stated that Stoeckl retained

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him some time in the first part of May; that the minister was in a state of great anxiety lest the session should close without any appropriation, in which case bad feeling would be created between the two governments. Whether the activity of Walker in stirring up congressmen was the cause or not, it was the fact, as we have seen, that the committee's report in favor of the appropriation was presented by General Banks on May 18, just after that activity began.

As to Forney, the testimony of Walker furnishes a most edifying commentary on the memorandum. The *Chronicle*, Forney's Washington paper, was used very freely by Walker and Stanton in their efforts to "accelerate public opinion" in favor of the appropriation. So hospitable were its columns, editorial and other, to matter favoring the cause that, when the bill was passed, Walker expressed to Stoeckl his warm appreciation of Forney's patriotic conduct and suggested that some compensation for the use of the *Chronicle's* space would be eminently proper. Thereupon the minister authorized him to give Colonel Forney $3000 in gold. On undertaking to carry out this generous project, Walker was met by scruples on Forney's part about accepting the money. The editor conceded that he was under no legal or moral obligation to refuse it, for he was not now in public office, and his support of the bill had been given without any promise or expectation of reward. But he felt that the position that he unofficially occupied before the people raised considerations of the most delicate propriety that he could not disregard. These noble sentiments, for which Walker did not conceal his admiration, prevailed to the extent that Forney did not take the money; but the vigilance of the editor against the slightest taint of impropriety seems to have relaxed immediately afterward; for when the $3000 was offered to D. C. Forney, a junior partner in the *Chronicle*, it was accepted with no recorded objection.

This story of Walker's about Forney's relation to the Alaska bill is very different from that given in the memorandum. According to the one, the editor, while he was still a public official and the legislation was still pending, demanded $30,000 and accepted it. According to the other, the editor, no longer a

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public official, and after the bill had passed, refused an unsolicited $3000. It is barely possible that the story recorded in the memorandum is a garbled and distorted version of the transaction described by Walker. The indications, however, are all to the contrary. Forney's energetic advocacy of the appropriation began as far back as January, 1868, when the first evidence of hostility was appearing in the House. Here was apparently the first fruit of the arrangement between Forney and Stoeckl, as recorded in the memorandum. When Walker, four months later, came into the case, he was quite overcome by the readiness with which the *Chronicle* extended its aid to his cause. His proposition to reward Forney put Stoeckl in an awkward position; for the minister was unwilling to reveal that the *Chronicle's* services had long since been contracted for. Accordingly Walker was permitted to carry out his project, with the result narrated to the committee. In short, both the story in the memorandum and the story of Walker appear to be true. If such is the case, history will long be searched in vain for a more inspiring act of civic virtue than that of Forney. With stoic firmness in his soul and the Russian's $30,000 in his pocket, he spurned the proffered $3000 and crowned his lofty renunciation by passing the paltry gold on to his partner.

One other bit of testimony before the investigating committee assumes an aspect to the reader of the memorandum that it could not have presented to the committee. Secretary Seward appeared and testified on December 19, 1868. The chief matter in which he displayed interest was the allegation that the Department of State had spent much public money in subsidizing the press and in other devices for creating opinion favorable to the Alaska purchase. This charge he roundly denied, declaring that he had paid some trifling sums in circulating a speech of Sumner's and a newspaper article by Walker, but that the total expenditure of the State Department, direct and indirect, in connection with the acquisition of Alaska, did not exceed $500. On this matter of expenditure by the State Department Seward was so exuberantly positive and loquacious as to create the suspicion, in one who has read the memorandum, that the secretary was unconsciously manifesting relief from the

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pressure which a preceding question by the committee must have put on him. After describing the requisition that he had officially made upon the secretary of the treasury for a warrant for $7,200,000 in favor of Stoeckl, Seward continued:

I assume, upon general information, that the money was paid. I do not know when it was paid out of the treasury, nor to whom it was paid.
Q. Or of its distribution afterwards?
A. Nothing of its distribution. I know nothing whatever of the use the Russian minister made of the fund. I know of no payment to anybody, by him, or of any application of the funds which he received.

Now the Secretary, being an astute and experienced lawyer and diplomatist, could doubtless have reconciled this statement of December 19 with the statement of September 6 as recorded in Johnson's memorandum; but it was probably regarded as a great mercy by Mr. Seward that he was not required to effect this reconciliation.

A further contribution by the secretary of state to the committee's information was as follows:

I do not know *from Mr. Walker* that he was ever paid a cent; I never paid him a cent. But I remember hearing the Russian minister speak in terms of thankfulness and appreciation of his efforts. . . . That is all I know about Mr. Walker. I do not know that he ever had *$25,000*, never heard *from him* that he was to have it, and I know nothing about it now.

The words that I have italicized indicate that at this point in his testimony Mr. Seward's wits were in full action. He obviously had not forgotten all that he had known on September 6 about Mr. Walker and his finances, but it was literally true that that knowledge had not been derived "from Mr. Walker," and that there was no question of "$25,000," but only, as Johnson recorded, of $20,000.

Immediately after this non-illuminating testimony, the witness was confronted with this question:

Have you any knowledge of any money or presents, directly or indirectly, being made from the fund at the disposal of the Secretary of

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State, *or any other fund*, to subsidize or propitiate the press, or any person connected therewith, anywhere?

Mr. Seward caught this question with marked eagerness and volubility: "On the contrary," he broke in, "I have knowledge that no fund at the State Department went to subsidize any press anywhere." And then he enlarged on this theme: he digressed on the attacks on Jefferson for the purchase of Louisiana, recurred to Mr. Walker's work and made some reference to the Perkins claim; and when his plausible eloquence was exhausted he was excused, with no apparent realization by anybody but the secretary himself that, while answering fully as to the State Department's fund, he had omitted to notice the italicized clause that gave such troublesome scope to the question.

A comparison of Secretary Seward's statement before the committee with his statement to President Johnson hardly inspires confidence in the secretary's candor and veracity. If the most significant allegation in the president's memorandum, namely, that public men so high-placed as N. P. Banks and Thaddeus Stevens accepted money from Stoeckl, has no support save the memorandum itself, the case against them is anything but strong. If the implication is also that the sums given to these men came out of the fund distributed after August 1, 1868, it is hard to believe that Stevens ever got his share; for he was a very sick man on the first of August and he died on the 11th. After his death the principle *nil nisi bonum* operated to keep his name out of the discussion. On the other hand, Banks was very frequently mentioned; but both the wording of the resolution by which the investigation was authorized and the form of the committee's report indicate a purpose to avoid an inquisition into the transactions that might involve Banks or other congressmen. It is a singular fact that the testimony given by one witness is entirely omitted from the printed report of the evidence.[1] This omission may have been accidental; but the reader learns from the context that the lacking testi-

[1] See the examination of the witness Martin, Report, p. 32. Much is said here of the testimony of Mr. Tasistro; but no such testimony is printed.

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mony is precisely that which tended to establish some relations between Banks and the Russian legation.

While it must be admitted that the memorandum does not prove any corruption in the cases of Banks and Stevens, it is hard to conceive that the statements about these men were concocted by Seward or Johnson or both with no basis whatever in actual fact. There are reasons for suspecting that the truth of the matter was probably something like this:

Minister Stoeckl was exceedingly delighted when the appropriation bill became law. His joy was expressed without reserve, and, as we have seen, it manifested itself in a large access of pecuniary generosity. Walker's fee was substantially increased; Forney's heroic virtue was subjected to temptation; the California newspaper man received his gratuity. Stoeckl's relations with Seward were very intimate; and it is quite possible that, in the far-reaching gratitude of the minister, he expressed a wish or a purpose to "do something" for Banks and Stevens, whose support of the appropriation had been so effective. This *ex post facto* project of Stoeckl might easily have taken on, in the conversation of September 6, the form and implications that Johnson embodied in the memorandum. Whether the project was ever carried into effect or not, it is impossible, with the available evidence, to say. Knowing, however, how dearly the secretary of state loved to be a dispenser of favors, and how lightly he regarded at times the proprieties of high political station, it would not be utterly wild to conjecture that, if either Banks or Stevens actually received a gift from Stoeckl, the agent through whom it was transmitted was no other than William H. Seward himself.

WM. A. DUNNING.

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THE ROAD TO CITIZENSHIP

A STUDY OF NATURALIZATION IN A NEBRASKA COUNTY[1]

ONE hundred and twenty-two years have passed since the first naturalization act was put upon the federal statute books. During all but the last six years of that period, the naturalization laws of the United States were scant and inadequate, and their administration was committed in great part to the perfunctory care of state courts without any federal assistance. The act of 1906 established a central supervisory agency in the Bureau of Immigration and Naturalization under the Department of Commerce and Labor, and otherwise greatly improved and strengthened the naturalization law. Under the administration of the new law, a well-coördinated system is supplanting the earlier laxity, and the conferring of citizenship bids fair to become invested with a dignity and impressiveness commensurate with its significance.

The following account of naturalization as administered in Lancaster county, Nebraska, from 1867 to 1910 inclusive, illustrates the workings of both the old and the new law, seven-eighths of the declarations of intention having been made under the earlier and one-eighth under the later law. The facts are presented, not because they are unique, but because they are believed to be typical of the average American community, and especially characteristic of Nebraska, one of the few states still clinging to alien suffrage.

[1] Aside from the federal and state statutes mentioned in the text, the principal source for this article is the Naturalization Records of the district court of Lancaster county, Nebraska. These are found in the courthouse at Lincoln, and consist of manuscript volumes, there being eight each of declarations of intention and of certificates of naturalization. In addition to these bound volumes, there are jacketed files of the original declarations, which must be returned when the final certificate is secured. Under the new law these are filed in the bound volumes. The declaration is popularly known as the "first paper" and the certificate of naturalization as the "second paper." The new law introduced an intermediate step, which is represented by a document called the "petition."

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I

Naturalization is one of the comparatively few subjects upon which the Constitution expressly gave Congress power to legislate. Notwithstanding its importance in a country which, like ours, has been made up entirely of foreigners, it has until recently received slight recognition. Until 1906, foreigners were naturalized under the act of 1802 and its subsequent amendments. This law was practically a reënactment of the statute of 1795, which had been repealed by the Alien Act of 1798. Its terms were most simple. Any free white person, except an alien enemy, was eligible to citizenship. He must declare his intention on oath, before the proper court, at least three years preceding his admission. When he had lived five years in the United States and one year in the state in which he applied, he was declared an American citizen, upon taking the oath to support the Constitution and renouncing allegiance to the sovereign of whom he was a subject. The children of the applicant, if under twenty-one years at the time of the parent's naturalization and if dwelling in the United States, were declared to be American citizens. In 1824 the time intervening between the declaration and the final certificate was reduced to two years; and a provision was added whereby a person who had lived in the United States during the three years preceding his majority could take out both papers at once after establishing his residence in this country. This provision has been the occasion of numerous evils.

The act of June 29, 1906, which took effect October 1 of the same year, is in many ways similar to, though far more stringent than, the much maligned Alien Act of 1798, except as to establishing a state and national residence. The Bureau of Immigration and Naturalization which it created has charge of all matters relating to the naturalization of aliens. Under its organization, uniform and complete records are kept, while inspectors are maintained in the field who check up the work of the courts and represent the federal government at the hearing for final papers. The most important additions and changes made by this law are as follows:

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(1) A limit of seven years' validity is placed upon the first paper.

(2) A petition for hearing on the final paper must be filed ninety days in advance, accompanied by the declaration of intention and the certificate of landing. During the interval preceding the hearing, the name of the petitioner must be posted in a public place, and the inspector may verify the records to ascertain whether the applicant is eligible. At the hearing before the court, the candidate is subjected to an examination in the rudiments of government by the presiding judge, and must satisfy the court and the inspector that he is fully qualified for citizenship.[1]

(3) No certificate of naturalization may be issued within thirty days preceding a general election.

(4) The petitioner for final papers must speak the English language and must sign the papers in his own handwriting.

(5) Aliens may make their declaration at the age of eighteen.

(6) All fees are assessed by the general government: one dollar for the declaration and two dollars each for the petition and certificate, with a deposit for witnesses, which is returned if not used.

A supplementary law, known as the Expatriation Act of March 2, 1907, renders a certificate of naturalization invalid after two years' residence in the country of birth, or after five years' residence in another foreign country, unless the naturalized citizen registers at an American consulate every five years.

II

Lancaster county, the naturalization records of which are the subject of this study, is a rural community almost as large as Rhode Island, and is situated in the rich agricultural section of southeastern Nebraska. The county has existed as a political entity since 1855, but its naturalization records go back only to 1867, when Nebraska was admitted to statehood. In the latter

[1] Under a recent ruling, hearings on final papers are held in this district but four days in each year.

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year, Lancaster, a town of about thirty inhabitants located in the center of the county, was chosen as the capital, and its name was changed to Lincoln. The community experienced a remarkable growth: in 1870 the census gave to Lincoln 2441 inhabitants and to Lancaster county 7074; today the capital city, together with its suburbs, has a population of over 50,000, while the remaining inhabitants of the county, numbering 21,284 by the census of 1910, are distributed among the dozen or more small villages and the farms. In accordance with the modern law of population, the urban growth has been much more rapid than the rural increase. In 1870 Lincoln contained 34.5 per cent of the population of the county; in 1880, 46.3 per cent; in 1890, with its suburbs, it was credited with 73.5 per cent[1]; in 1900, it had 68.2 per cent; in 1910, 71.2 per cent.

More important for the present study than the increase in the total population of the urban as compared with the rural community is the fact that a larger proportion of the foreigners coming to the county now settle in the city. In the first half of the forty-four years involved, the foreign population was scattered somewhat evenly over the county. Dutch, Bohemian, Irish, Danish, Norwegian and German settlements were established in the rural districts, while many immigrants of the same nationalities settled in the city. But when cheap land no longer existed in the county and the city had grown large enough to support great numbers of unskilled workmen, this even distribution of immigration ceased, and the last half of the period involved shows the great majority of incoming foreigners settling in the city. Hence, while the statistics for the first half of the period pertain equally to Lincoln and to the county, those for the second half relate almost wholly to Lincoln.

While the federal law has designated various courts under which naturalization may take place, the process has always been performed here by the district court in and for Lancaster county. This tendency to appeal to state courts is characteristic of the whole of Nebraska, in which, out of 2025 declarations of intention filed in the year ending June 30, 1910, only

[1] In the census of 1890 the reports from Lincoln were "padded," and the proportion for that year should be reduced to probably 57 or 58 per cent.

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two were filed in federal courts. Resort to the state courts in preference to the federal courts by people in semi-rural communities is largely a matter of convenience. From 1867 to 1878, the United States district and circuit courts sat only in Omaha; and, although sittings have been held in Lincoln since 1878, it was not until 1907 that a federal judge and a clerk were located there. On the other hand, since 1867 there has been a state district court established in the city. The office of the clerk has been conveniently located and has been open to the public every day of the year, except Sundays and holidays. In many instances the clerk himself has been personally interested in obtaining declarations. Some of the most bitter political contests in this community have been over county offices; and as the clerk in this district is a county officer, his interests have been involved in these struggles. Formerly, he was in the habit of inserting in the press a notice such as the following:

District Clerk ———— suggests that foreigners who wish to become naturalized in time to vote should do so before October 3. The law requires that the first papers be taken out thirty days before the election.

Ordinarily this reminder was not expected to reach the foreigner himself, but it served as a notice of the time limit to interested politicians. It never failed to bring its response in a demand for a new batch of first papers.

III

The carelessness with which naturalization records were kept in the Lancaster county district court under the old law indicates that the bestowal of citizenship upon the foreigner was regarded as lightly by the clerk as it could possibly have been by the foreigner himself. The declaration of intention is simply an affidavit made before the clerk of the court. The original document is given to the declarant, and a copy of it is placed in the record. While the certificate of naturalization is given by order of the court, yet in many instances not even ordinary pains were taken in recording it, to say nothing of the degree of care bestowed upon all other legal documents of the court.

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The date of the paper was frequently omitted. The report was copied out of chronological order, papers being recorded as much as six months or a year after they had been issued. This suggests the possibility, if not the intent, under this slipshod method, of dating back the paper for the convenience of the applicant.

In other papers the name of the sovereign to whom allegiance was renounced was left blank. On November 2, 1874, seven foreigners received final papers, in which they renounced allegiance to ————. In the seventies many declarations were issued in this defective form. And even when the sovereign to whom allegiance was renounced was designated, no uniformity existed in naming him. This was, of course, a mere technicality; but in view of the strictness of the federal government upon this point at present, it is interesting to note the former laxity. The new law is almost word for word the same as the old law in this respect, yet today the Bureau of Immigration and Naturalization insists upon absolute correctness. It issues to each court which naturalizes foreigners a list of all the countries whose subjects are eligible to American citizenship and the official name of the sovereign of each. Every change is marked by issuing a new list and calling the attention of the courts to the changes. In this way uniformity of records and historical accuracy are maintained. Neither is found in the earlier records. No less than fourteen different forms are found by which the subjects of the United Kingdom have renounced allegiance to their former sovereign. As late as 1898, one applicant declared his intention to renounce allegiance to the emperor of Poland, and another to the king of Bohemia. When the wrong country or sovereign was named, the error became more serious. In 1878, in one day, eleven German Russians declared their intention of renouncing allegiance to the emperor of Germany instead of to the czar of Russia. At various times (the last as late as 1903) eleven others did the same thing, and at least four of these have taken out their second papers in the same form. Frequently the names Prussia and Russia were confused, not only in the declarations but even in the registration books. One man took out his first paper as

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a subject of Russia and his second as a subject of Prussia; another reversed the process.

One of the most serious faults has been carelessness about the applicant's name. It is not strange that foreign names are misspelled. Even with the great care taken by the bureau under the new law and its insistence upon technical uniformity, an error may occur, especially if the applicant be illiterate. But an entire change of name within the limits of one paper is scarcely admissible in any document. Yet a paper which began, "I, Elias Stinmate," was signed "George Stinmate." It is not uncommon to find a name spelled one way in the first and another way in the second paper. For instance, Peter Fost in the declaration became Peter Farb in the final certificate. There is reason to believe that neither spelling was correct, but that Peter Fast was the man who received these papers. This incorrectness in the spelling of names makes the indices of the records entirely untrustworthy. Names beginning with *p* are indexed under *b;* with *y*, are found under *g* or *j; e* has been exchanged for *i; etc.* Thus it becomes necessary sometimes to leaf through the entire record to locate a man's paper.

A curious error was discovered at the fall election of 1910. A foreigner rushed into the district clerk's office and demanded to know why he was not being allowed to vote on his father's paper today, when he had voted on it for ten years. The clerk asked if it was his father's second paper and the young man replied that it was, at the same time handing the certificate to the clerk. The latter glanced at it and replied: "That is his first paper." "Why," exclaimed the young man, much excited, "my father paid three dollars for that paper. During a presidential campaign some man brought fifteen men up here to get their papers. The clerk charged them three dollars apiece and this is what he gave them." The record substantially verifies the young man's story, for it shows that his father received his *first* first paper in 1888 and his *second* first paper in 1896.

As has been stated, until 1906 naturalization was practically a state affair, as was also immigration until 1882. The federal

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government kept no records; and in case the court-house was destroyed, as sometimes happened, there were no duplicates to prove the applicant's claim for new papers. In not a few instances the records in Lancaster county show notice of an affidavit on the final paper to the effect that the declaration had been lost. At present, a duplicate of every paper delivered by the clerk must be forwarded to the Bureau of Immigration and Naturalization within thirty days after its issue.

The absence of federal supervision led to a lack of uniformity in the records of the various courts which have had charge of naturalization. Each court had its forms printed according to its own liking or interpretation of the law, and no especial care was exercized in the use of these papers. Under the new law, the Bureau of Immigration and Naturalization issues all records, and it holds the clerk responsible for their custody in the same manner in which the state guards its official ballots.

In Lancaster county the form of the declaration under the old law was as follows:

DECLARATION OF INTENTION.

I, _____, do declare on oath, that it is bona fide my intention to become a Citizen of the United States, and renounce and abjure forever all Allegiance and Fidelity to all and any foreign Prince, Potentate, State and Sovereignty whatsoever, and particularly to _____ of whom I am a subject.
(name)

_____
(name of applicant)

Subscribed in my presence and sworn to before me, at my office in Lincoln, this _____ day of _____ A. D. _____.

_____
Clerk of the District Court for Lancaster County.

A correct copy of original.

SEAL.

_____ Clerk,

_____ Deputy.

This form of declaration called for no statement of the applicant's age. Except the vigilance of the clerk, there was nothing

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to hinder the foreigner under twenty-one years of age from declaring his intention[1]; and, as the majority of papers were issued under political pressure, it is not probable that great care was exercized in this regard. Indeed, this fact is being brought to light under the new law. A goodly proportion of the certificates denied in Lancaster county have been refused upon the objection that the applicant secured his first paper while yet a minor. But a much larger number are stopped by the clerk before they get into the court, and the applicant is sent back to begin the process all over again. There is not a shadow of doubt that dozens of men have obtained first papers while minors and that some of them are voting on these papers today. Only within the past few weeks, an obituary in a daily paper gave the deceased's birth-year as 1857. He secured his papers in 1877, and, in the language of the patent-medicine testimonial, "since then he had not taken any other."

In this declaration, again, no residence address was given. This form of record was prepared when there were less than forty inhabitants in the capital city, and it was perhaps safe to assume at that time that the district clerk would know personally every applicant for naturalization papers. But the form was retained without change for almost forty years, and was still in use after the city had passed the 40,000 mark.

Until October, 1906, all fees connected with naturalization were imposed by state law. In 1866, the statutes empowered the district clerk to charge fifty cents for the declaration and the same amount for the final paper. In 1899, the latter fee was raised to three dollars, the former remaining at fifty cents. In spite of the fact that the suffrage in Nebraska cost but fifty cents under the old law, it is stated on competent authority that many foreigners received first papers during this régime without themselves paying a cent for them. These "special sales" seem to have been most frequent in presidential years. During the last national campaign, an applicant came in to secure his final paper. After his petition had been made out, he was informed by the clerk that the total cost would be four dollars.

[1] As indicated above, page 401(5), this was not permissible until 1906.

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The man replied: "Not this year. Taft pays for this." But if Taft paid for it, the court received the fee from the applicant and not from the hands of any political agent. During the same campaign another man inquired at the office if a person couldn't get his papers cheaper that year. And yet it is said that men are not interested in bargains! Before a recent election, an applicant for his first paper said: "A fellow down there will pay for it." "Not much," replied the clerk, "you pay for it yourself." The man returned the next day, paid his fee and got his paper. But not so a former clerk. He issued his papers on time instead of for cash. As a result, his fee book shows a memorandum charging one of our worthy citizens with thirty dollars' worth of declarations which have never been paid.

The Nebraska Legislature of 1899 attempted to correct this evil: it inserted in the Corrupt Practices Act a section forbidding candidates or political committees to pay, either directly or indirectly, any fees connected with the naturalization of aliens. Yet it is stated on trustworthy authority that both the Democratic and the Republican parties have paid for declarations within the past few years. If this practice persists, at least it is not now carried on with the connivance of the court officials.

The possibilities for illegal applications under the old law were unlimited; and, so far as the records show, no one was ever denied any paper for which he asked. The questions of insufficient age and unknown residence have already been noticed. In addition to these, inadequate provision was made for proving the required five years' residence in the United States. The act of 1802 had provided for the registration of all aliens in the district courts upon their arrival in the United States; but this section was repealed in 1828. However, the unsupported oath of the applicant was not accepted to prove residence; and it was the custom to require two witnesses. But even these were often accepted carelessly, and the testimony required of them was inadequate, as is apparent from the fact that in the year ending June 30, 1910, under the operation of the naturalization law of 1906, thirty-two per cent of all the certificates denied in Nebraska were withheld on account of incompetent witnesses.

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Even under the new law, a declaration may be made under an assumed name, and the clerk has no way of discovering the deception until he receives from the Bureau of Immigration and Naturalization the certificate of landing. This gives the name of each immigrant, the port at which he landed, the date of his arrival and the name of the steamship upon which he came. A young man recently asked to file a petition for his final paper. He stated that he had made his declaration in New York city under his uncle's name, but that he wished to take out his certificate in his own name. This the federal government would not allow, and he was forced to make his declaration again, this time in his own name. Another applicant in making his declaration said that he could not remember the name of the vessel upon which he came. The clerk offered to send for the desired information, but the applicant insisted that he should not bother, as "they would not remember, either." However, the clerk sent the inquiry and was informed that no person of that name had arrived at any port at the date given. The man did not return for his declaration, probably fearing deportation, since the records failed to show that he had been legally admitted.

The laws designed to conserve the nation's health are sometimes made ineffective by the protection which the federal government affords to declarants. During the campaign waged against trachoma in Lincoln, in 1909–1910, a man wearing large blue glasses applied for his first paper. In making out the personal description, the clerk asked the applicant to raise his glasses, so that he could get the color of his eyes. The man hesitated but finally complied with the request. The eyes were in a fearful condition, which the foreigner explained by saying that he had been working in a strong wind on the cinder pile in the railroad yards. There was some reason to suspect that the man had trachoma, and feared that he might be sent back to his own country, since he had been here less than the three years' time which gives immunity from deportation. On another occasion a foreigner rushed into the office and demanded his first paper in a great hurry. After the declaration had been made out and given to the applicant, the latter handed to the clerk a telegram asking him what he thought of it. The message read: "Wife

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and two children held here for trachoma. Have you taken out your first paper? Answer at once." When the clerk had read it, the man asked what reply he should make. The official was forced to say that the only possible reply was that he had his paper. Another would-be citizen asked if there was not some way in which a man could get his second paper in less than five years' time. His wife had twice been refused entrance into this country on account of sore eyes (trachoma), and he hoped that, if he could get his final paper, he might be able to secure her admission.

IV

Compared with the old law, the new law is unusually stringent. Yet this does not seem to have made any difference as regards naturalization in Lancaster county, for a higher average number of both first and second papers have been taken out under the new law than under the old.

1. PAPERS ISSUED UNDER THE OLD AND THE NEW LAW

	TOTAL NUMBER OF YEARS	FIRST PAPERS		PETITIONS [1]		CERTIFICATES	
		TOTAL NUMBER	AVERAGE PER YEAR	TOTAL NUMBER	AVERAGE PER YEAR	TOTAL NUMBER	AVERAGE PER YEAR
Old law . . .	39¾	5989	150.6	. .	. .	1358	34.1
New law . .	4¼	853	200.7	182	42.8	165	38.8

The high average for first papers under the new law (200.7) is explained chiefly by the intense political activity in the city in 1908 and 1910, and will probably not be maintained; although so long as Nebraska permits alien suffrage the average in the future will remain as high as it has been under the old law. The pending constitutional amendment abolishing alien suffrage, which was voted upon in the fall of 1910, brought in a few of these declarants, since they could vote for five years on their first papers even though the amendment were adopted.

The average number of final papers or certificates granted

[1] *Cf. supra*, p. 399, note, and p. 401 (2).

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under the new law shows an increase over the former régime, even after counting out the certificates denied, which have numbered seventeen. Several causes have produced this growth. An article written for a Sunday paper by the inspector shortly after the passage of the new act brought several pseudo-American citizens to the courthouse in haste for both first and second papers. An attempt to take a homestead, made by a young man whose father had only his first paper, brought in several others. The increasing vigilance forced upon election boards, especially in the foreign wards, during recent campaigns induced a number of "minority" voters—*i. e.* persons claiming the right to vote because their fathers had acquired this right while they themselves were minors—to take out both papers. In the next few years the number of first papers will probably decrease, but the number of second papers will probably increase. Within the next seven years, the 853 persons who have declared their intention since October 1, 1906, must complete their citizenship or forfeit their vote. Allowing for loss by removal, which will be offset by those applicants who have declared their intention under the old law in Lancaster county or elsewhere, and considering the fact that a minimum of those who have applied under the new law will be denied final papers, the average number of second papers issued within the next few years should be at least one hundred per annum.

The composition of the body of foreign voters, enfranchised in Lancaster county from 1867 to 1910 inclusive, is shown by an analysis of the declarations of intention (chart II, at page 416). Of the total number, subjects of Germany comprise 25.2 per cent; United Kingdom, 21.6; Scandinavian states, 20.2; Russia, 17.7; Austria-Hungary, 9.3; Holland, 2.7; Switzerland, 1.1; all others (9), 2.2.

The period during which each nationality has predominated is shown by an analysis of the proportion of the various nationalities for each year from 1867 to 1910 inclusive (chart III, *ibid.*) In 1867 all the first papers issued were taken out by subjects of the United Kingdom. In 1868 these immigrants formed 51 per cent of the total number; in 1871, 44 per cent; in 1891, 34 per cent; in 1903, there were none of them; and in 1910

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they constituted but five per cent of the total number of declarants. German subjects entered in 1868 with 23 per cent. This element increased in waves, reaching its high tide in 1882 with 58 per cent, although the largest number (216) received first papers in 1890, forming 43 per cent of the total declarants of that year. Since then, the Germans also have gradually decreased until, in 1910, they formed but five per cent of the total. The Scandinavians, including Swedes, Norwegians and Danes, also entered in 1868, and since that time they show the most even proportion of any of the nationalities that are largely represented. Their greatest proportionate increase was in 1897, when they formed 39 per cent of the total. The subjects of Austria-Hungary, including not only Germans and Magyars, but also Bohemians, Poles and Jews, show a large proportion in the seventies, reaching 40 per cent in 1875. Since then, they have been a comparatively small factor, except in 1898, when they reached 18 per cent of the total. The Hollanders, most of whom live in their settlement in the south part of the county, have been a small but constant factor since 1868. The subjects of Russia made their first appearance in 1876. Up to the present time, they include Finlanders, Poles, Russians, Jews and Germans, with the latter very greatly in the majority. In 1878, the Russian Germans formed 24 per cent of the total declarants. They showed no greater percentage until the nineties, when they formed a large proportion of a very heavy naturalization. Since 1900, Russian subjects, mainly Germans, have formed the chief foreign element among newly made voters, reaching 74 per cent in 1910. It should be noted that almost without exception these live in the city of Lincoln.

A further analysis by races would be profitable, but is impossible, for, under the old law, the declaration specified only the name of the applicant and the sovereign to whom he renounced allegiance. There is nothing on the face of the record to distinguish the English from the Scotch, Irish, Welsh, Canadian or other peoples subject to the British crown; and the same is true of every other sovereignty whose subjects sought American citizenship up to 1906.

Chart III shows not only the proportion among the various

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nationalities, but it suggests also the change in the character of the voters. In the earlier period, the English-speaking foreigners predominated; in the middle period, the Empire Germans; and in the later period, the Russian Germans. This change is shown in chart IV (at page 416), by an analysis of the year, in each of these periods, which presents the largest number of declarants. These years are 1871, 1890 and 1910. In the first period, the year 1871 produced 504 alien voters in Lancaster county. Of these, 220 were subjects of the United Kingdom and 94 were subjects of Germany. In the second period, the year 1890 produced 500 alien voters, of whom 66 were subjects of the United Kingdom, 216 were Empire Germans and 37 were Russian Germans. In the third period, here represented by the year 1910, 363 first papers were issued, of which 17 were given to subjects of the United Kingdom, 16 to Empire Germans and 244 to Russian Germans.

Thus it appears that the first foreigners in Lancaster county to be vested with the elective franchise, upon their declarations of intention, were men of English speech. They were, as a rule, literate, being able to read and to write as well as to speak the English language. There was a minimum of danger in placing the ballot in their hands after six months' residence in the state. Nothing was ever heard in the county of the English, Scotch or Canadian vote; and only once or twice in those days do the newspapers mention the Irish vote. From the first, they have been, as a nationality, independent in politics.

Twenty years later, the predominating element was German. The newcomers of this nationality could neither speak nor read the English language, and it was not reasonable to suppose that they could learn it in six months. True, they had their German newspapers, which most of them were able to read; but either in spite of this fact, or on account of it, we read of the "German vote" from the earliest day of their entrance into Lancaster county. If the German voted at all, he was obliged, of course, to depend upon someone's advice, and naturally he sought out, or was sought out by, one of his own countrymen. In this way, racial cohesion, which is strong among the Germans, was supplemented by political cohesion, and, especially in the early days

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of the county, produced solidarity of voting—one of the few unfortunate contributions which the Germans have made to life in America.

Contrary to a prevalent impression—which may be better founded in other parts of the country—the Germans in Lancaster county have, from the first, evinced a lively desire to hold office. In the early days they were found in city, county and state offices. No ticket of the prevailing party was ever made up without German representatives, because both the Germans and party policy demanded it. The "German vote" was always counted upon by the politicians for a German candidate or for a "personal liberty" advocate. At present, this tendency toward solidarity of voting is being broken up by assimilation. Not many candidates today are appealing for votes on the strength of their German nationality, although part of the German press in Lincoln always urges this fact, and the "liberality" of the aspirant, as sufficient recommendation for his election. At the present time, however, an increasing number of German voters are daring to be independent even upon the liquor question, which, as has been suggested, is still the chief cause for their solidarity in voting.

Another twenty years has changed the type of immigrant coming to Lancaster county, and the predominating element is now the Russian-German. In contrast to the earlier comers, who were scattered over both the urban and rural communities of the county, the Russian Germans are segregated in the city, in two colonies. In general more clannish, less educated and less progressive than the Empire Germans, they are also more in need of, and more susceptible to, "influence." The "ward boss" of the monthly-magazine type has found in the Russian-German settlements a virgin field for his labors, and the task of "rounding up the sheep" furnishes a living to certain members of the communities. Possessed of all the good racial characteristics of the German, but imposed upon on account of his political ignorance and indifference, the Russian German shows the worst side of his character in his relation to politics. The "Russian vote" of today is more compact than the "German vote" has ever been, although even among the Russian Germans are found some independent and intelligent voters.

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Twenty years from now, the character of immigration to the county will be changed again. From present indications, the element then predominating will be the Russian-Jewish. Our naturalization records show that a few papers were issued to men of this race each year since 1883, but seventy per cent of the total number of Russian-Jew declarations have been made within the past ten years. The increase of this element in the city is even more rapid than the naturalization records reveal; it is more adequately shown in the school censuses, which provide one of the best available indices of immigration to the city. One of the chief reasons for this increase is the opening of Galveston as a port of entry, in 1906, and the activity of the Hebrew Society of Kansas City in distributing the Jews throughout the Middle West. The fact of a nucleus having been formed here will attract the friends of the Lincoln colonists. The Russian Jew brings his family and settles down in business prepared to stay; while the Syrians and the southern Europeans—Greeks and Italians—who are now coming to Lincoln, comprise the floating foreign population. The Russian Jew will be the least competent of all these large foreign elements to exercize the right of suffrage without preparation. No matter how eager he may be for an education nor how apt he may prove at politics, six months in Nebraska will be all too short a time for him to throw off the educational and political lethargy which Russia has imposed upon him for years.

V

In view of the fact that Nebraska grants the elective franchise to foreigners who have declared their intention of becoming citizens, the tendency of various nationalities toward citizenship becomes differentiated from their tendency toward the suffrage. The latter is indicated by a comparison of the number of aliens —a term used in the census to designate foreigners who have taken out neither first nor final papers—with the total number of the foreign-born. The census of 1900 gave to the city of Lincoln 2427 foreign-born males 21 years old and over, of whom 217 were aliens—an alienage of a trifle less than nine per cent. Distributed among the various nationalities, the per-

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centage of aliens to foreign-born is as follows: United Kingdom, 2.5; Germany, 2.9; Scandinavia, 4.3; Austria, 14.6; and Russia, 31.4. Despite the political pressure which has been brought to bear upon the subjects of Russia, almost one-third have shown their indifference to the suffrage by their failure even to declare their intention to become citizens. It will be recalled that the majority of these are Germans, since the chief Jewish immigration has occurred during the last decade.

The tendency of the various nationalities toward full citizenship is shown, in chart V, by a comparison between the number of first and second papers taken out by each nationality. In each transverse nationality line, 100 per cent would represent the total number of declarations made by persons of that nationality; the black lines indicate the percentage of second papers. The Germans show the greatest tendency toward completing their citizenship, having taken out 36.2 per cent as many second as first papers. They are closely followed by the Swiss, with 34.9 per cent. In the next group, the figures are: Holland, 26.7; United Kingdom, 25.3; and Scandinavia, 20.8 per cent. The third group shows "all others," including nine different nationalities, to have taken out 11.4 per cent; Austrians, 11.2 per cent; and the Russian Jews, 11.3 per cent. The Russian German stands in a class by himself, with only 4.7 per cent as many second as first papers.

The most striking thing about this chart is not the fact that the Empire Germans show the greatest, and the Russian Germans the least, tendency toward citizenship; but rather the fact that all nationalities show so little tendency toward taking out their second papers, the average being only 22.2 per cent. This is graphically represented by the two circles in chart II. The explanation is to be sought chiefly in the legal and political rights which accrue to the foreigner in the two stages. The right to protection in person and property is granted to resident aliens by every civilized government, but citizenship ordinarily carries certain peculiar privileges to which aliens are not admitted. Yet so far as it has been within her power, Nebraska has accorded to unnaturalized foreigners rights equal to those of full citizens. It is only in his relation to the federal

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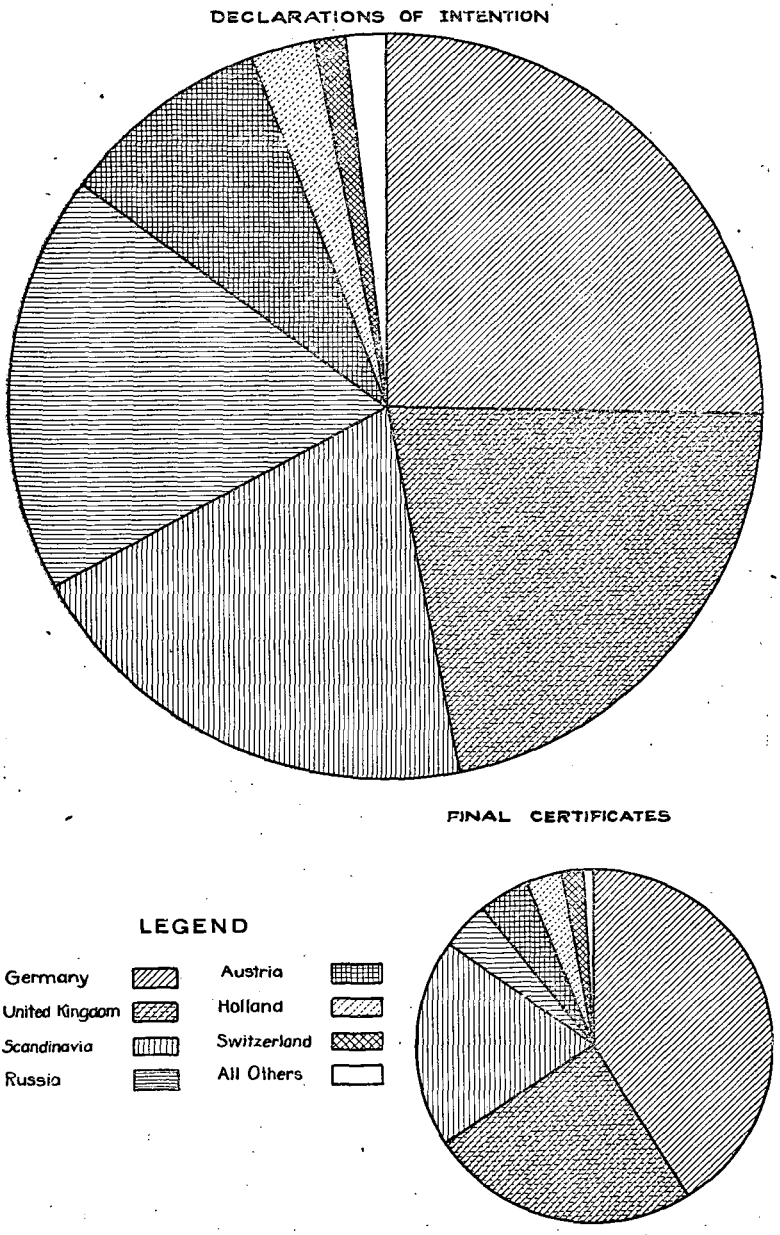
II. Proportion of First and Final Naturalization Papers Issued to Different Nationalities: 1867–1910



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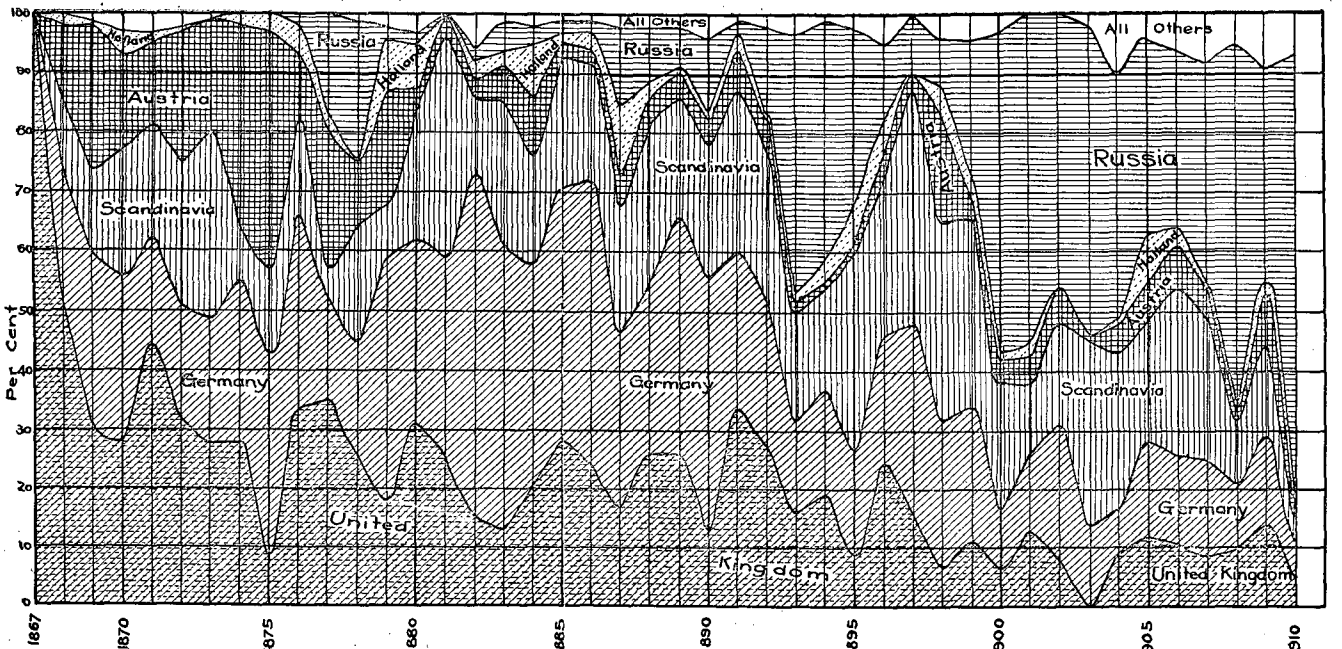
III. Predominating Nationalities: 1867–1910



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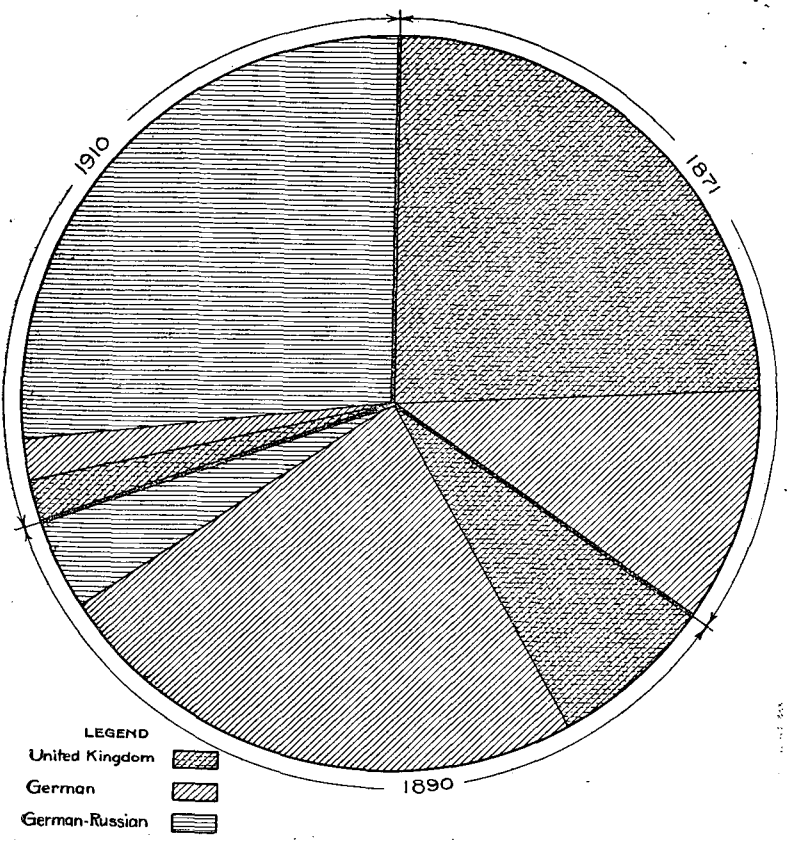
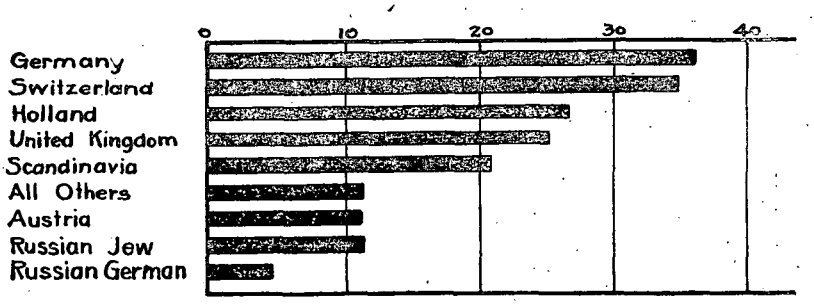
IV. Changes in Nationality of Aliens Enfranchised 1871, 1890, 1910



V. Proportion of Final to First Papers, 1867–1910, among Various Nationalities (percentages)



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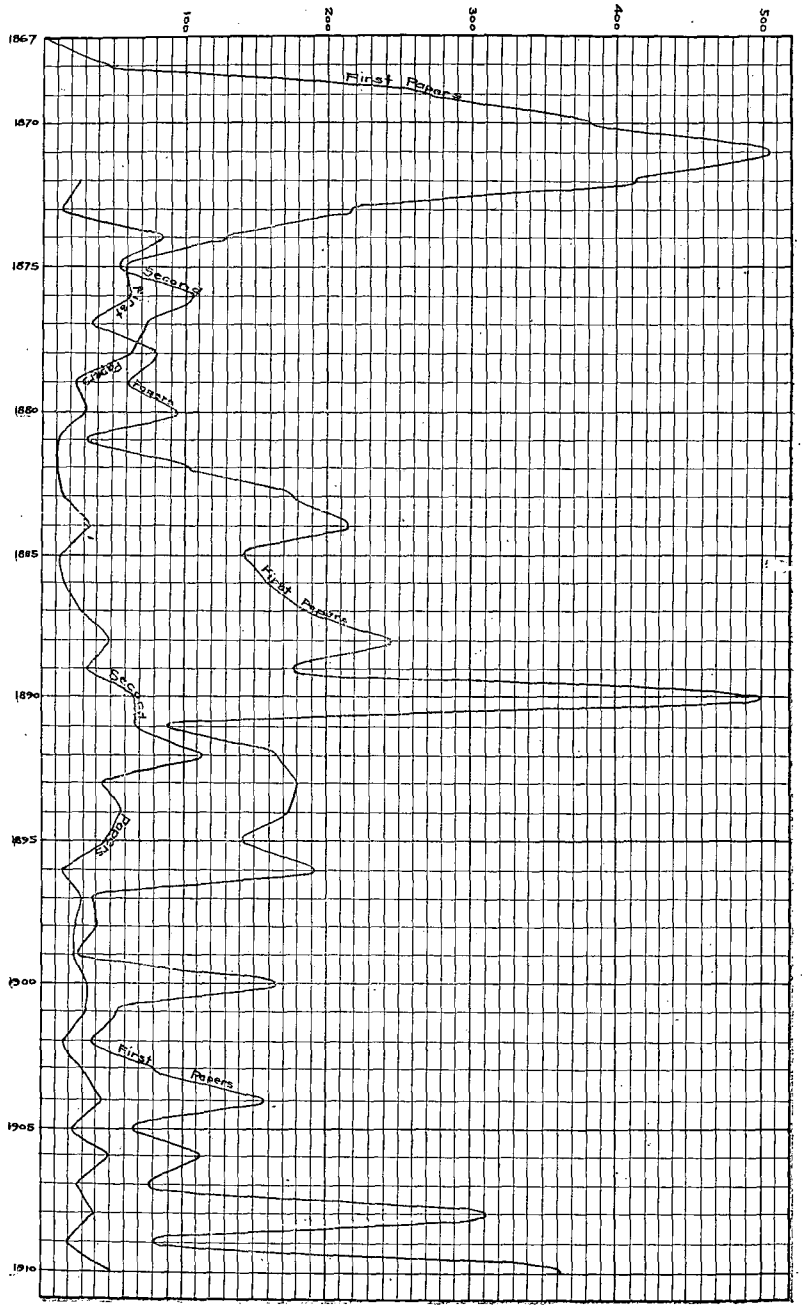
VI. Numbers of First and Second Papers Issued: 1867–1910



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government that the alien in Nebraska is placed on a footing different from the citizen.

The state constitutions of 1866 and 1875 granted the right of suffrage to aliens who had declared their intention of becoming American citizens. Since Nebraska citizenship is established by six months' residence in the state, and the alien could take out his first paper on the day of his arrival, it is evident that, from the beginning of her history, the state of Nebraska has offered a share in government to the alien but six months removed from his native land. Until 1875, the law permitted him to vote as soon as he had declared his intention. Since then, thirty days must intervene. But with the looseness characteristic of early Nebraska elections, as late as 1879 foreigners voted in Lincoln on the day on which they took out their first papers.

Alien suffrage was a drawing card used by western states to attract foreign immigration. Although the occasion for such a policy has long since passed, the practice has been retained by nine states in the Union—Arkansas, Indiana, Kansas, Missouri, Nebraska, South Dakota, Oregon, Texas and Wisconsin. The failure of alien suffrage to accomplish its original purpose appears from the fact that foreigners do not hesitate today to leave Nebraska for Colorado, Montana, Wyoming and other states in which they can not vote, provided they can better their economic condition. Not only has the practice failed to subserve any positive interest of the state, but it has removed the chief incentive to the acquisition of complete citizenship by the foreigner.

It is not in Nebraska alone that this phenomenon is observed. The report of the commissioner-general of immigration for 1910 points out that

> in Indiana [which has alien suffrage] there were filed last year about 5000 declarations, while but 276 petitions were made for citizenship and 208 were naturalized. In Ohio, on the other hand [which has citizen suffrage], where about the same number declared their intention to become citizens, 1676 petitions were filed and 1086 certificates of citizenship were issued [page 221].

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These two states, whose foreign population appears to be about the same, thus present a wide difference in the proportion of second papers issued, the state which requires citizenship for suffrage having granted five times as many certificates as the state permitting alien suffrage.

It is common knowledge, theoretical if not practical, that citizenship is not synonymous with suffrage. The great majority of American citizens, including children under 21 years of age, women, idiots and criminals, have no vote. On the other hand, many adult males who are foreigners have the suffrage in the nine states mentioned above. However, it is the common practice to make the two terms identical, so that it is not strange that, to the foreigner, citizenship means suffrage. If he does not gain the right to vote until he becomes a citizen, he does not hesitate to pay the price demanded by the state; if he receives this privilege upon his mere declaration of intention, he is indifferent about completing his citizenship.

And why should he not be indifferent? To the foreigner in Nebraska, practically the only advantages which accrue from American citizenship are protection abroad, certain homestead rights and the inheritance of citizenship by minor children. While a few aliens, especially Turkish and Russian subjects, have acquired citizenship as a means of protection, the number of foreigners in Lancaster county who procure papers from that motive is a negligible quantity. A larger number have taken out final papers in order to secure homestead rights.

The acquisition of citizenship by inheritance during minority has been claimed in Lancaster county for years, sometimes rightfully, but in the great majority of instances wrongfully. Yet so far back as the registration records go, accommodating election boards have honored the claim without ascertaining whether it was based upon the father's first or second paper. Foreign-born Swedes, Austrians, Germans, English, Irish, Danes, Russian Germans and Russian Jews have voted on their fathers' first papers in practically every ward in the city. Almost without exception, the registration boards have enrolled them and failed to ask the vital questions: Has your father taken out his *second* paper? Was it secured *before* you became

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of age? Furthermore, the boards have been upheld in their laxness by the police court, which has dismissed prosecutions for illegal voting where these questions were involved. At one election, a single nationality registered as many as fifty "minority" voters, and, following investigations made by a committee of citizens which was conducting a "no saloon" campaign, two-thirds of these registered voters stayed away from the polls for fear of arrest.

Now the federal law has always been clear on the question of citizenship by minority, and, if it were not so, enough cases have been brought before the courts to clarify the atmosphere. The only Democratic governor whom Nebraska elected in the first forty years of statehood was kept out of office the greater part of his term by a contest raised upon this issue.[1] In Haywood *v.* Marshall[2] it was held

> that, while a mere declaration of intention . . . may, under the constitution of Nebraska, constitute a resident alien an elector, . . . yet that, by implication, this status cannot be extended to the son of such alien merely because the declaration above referred to was made before such son had attained his majority.

But with the lax enforcement of a lax law, why should the foreigner go to the trouble of completing his citizenship? If a marriage license gave to the contracting parties the chief privileges of the married state, how many would visit the minister or judge, secure witnesses and pay the marriage fee? And if to the children, illegitimate though they might be, should be accorded all the social and legal rights of legitimate children, how much less would the parents bother themselves about a meaningless form? And so with the foreigner. The mere declaration of intention is vested with the sanctity of citizenship by the state. What more should the alien desire?

A second unfortunate result flowing from alien suffrage is that the first step toward the acquisition of citizenship is not voluntary but encouraged; not a natural desire and act on the part

[1] State *ex rel.* Thayer *v.* Boyd, 31 Nebr. 682 and 143 U. S. 135.

[2] 53 Nebr. 220.

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of the foreigner, but the result of pressure brought to bear upon him by selfishly interested parties. This is shown by chart VI (at page 417), presenting graphically the number of first papers issued year by year from 1867 to 1910. The variation in the number taking out papers each year is due in the main to two causes: immigration and political pressure. While there are no available records in which the course of the former may be easily followed, it is probable that immigration, especially into the city, has been much more evenly distributed through the years than one might suppose. Hard times, during which immigration to the United States usually falls off, brought to Lincoln one of its largest groups of foreigners. Some of these were located on farms throughout the state, and the loss of their crops led them to congregate in Lincoln, where they were able to secure work. Again, through the influence of the Chicago, Burlington and Quincy Railway Company, Lincoln has been, from the earliest days, a clearing house for Nebraska immigrants, both American and foreign. At the present time many of the latter are brought here directly from their European homes, remain a few years in the city, and then go out upon farms in other parts of this state or in other states. It is clear, therefore, that the chief cause for the variation in the number of foreign voters in Lancaster county has been, not immigration, but political pressure. Almost every presidential year shows a rise in the temperature of the political thermometer. Two of these years, 1872 and 1892, had been preceded by an unusually heavy demand for first papers, and while the increase in numbers is not so great, the proportionate increase is apparent.

Political zeal for manufacturing voters during presidential years seems not to have been able to satisfy itself by resort to the district court alone, and the Nebraska supreme court was called into service. In 1900, twenty foreigners were enfranchised before the clerk of the supreme court, with blanks secured from the district court of Lancaster county. This action seems to have been based upon a precedent set in 1888, when two aliens declared their intention in the supreme court with similarly borrowed blanks. From 1876 to 1904 this court issued forty-four final certificates. It does not seem originally to have

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planned to accept declarations, since printed forms are found for only the final certificates. The naturalization papers issued by the supreme court of Nebraska are probably invalid, as it is not a court of "common-law jurisdiction" within the meaning of the federal statutes. Therefore these papers have not been included in the totals given above; but so far as the declarations are concerned, they have served the purpose of the presidential committees just as well as if their legality were unquestioned.

But it takes a liquor election to raise the thermometer to the boiling-point. In 1890 Nebraska voted on a prohibitory amendment to the constitution. It was the last election held in the state before the Australian ballot law went into effect, and all the pernicious forces proceeding out of the old political system seemed gathered for the struggle. One of these forces appeared in the abnormal number of foreign voters manufactured in Lancaster county preceding that election. In 1908, the unusually large number of declarations made was divided almost equally between the presidential election of the fall and the municipal election of the spring, when the excise question was the chief issue. But in 1910 almost the entire number of papers was issued in time for the spring election, when another municipal struggle was waged over the excise question. Practically every liquor fight, whether limited to precinct, ward or city, or waged throughout the state, shows an appeal on the part of the saloon for the foreign vote.

Investigation proves that the great majority of declarations made in Lancaster county have been the direct result of encouragement in some political campaign. Some one had an ax to grind. He got the foreigner to turn the grindstone awhile. Then, like Franklin's benefactor, he dismissed the alien voter with a curt command to "run along." The causes back of this political pressure did not always rise to the dignity of a state or national issue. Sometimes it was a county fight, as in the fall of 1893; sometimes a ward fight, as in 1898, when the larger part of the declarants were used to elect a "gas" councilman in the second ward; sometimes a mere precinct issue, as in 1904, when the bonds for a new school building in a foreign settlement were voted upon. The issue was not the im-

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portant thing; it was the temperature to which the politician's blood arose that impelled him to go out into the highways and hedges and compel the foreigner to "come in." Is it any wonder that the latter gets the idea that he is doing someone a favor by taking out his first paper and voting? Who has ever suggested to him that he is assuming any responsibility in his "new birth" into the American commonwealth? Considering the circumstances under which he becomes a voter, it is surprising, not that he is so dependent upon influence and so ignorant of his responsibilities, but that he is as honest and as competent as he proves to be.

VI

Much of the force of the foregoing facts would be lost if naturalization in Lancaster county had been carried on in an unfavorable environment. The opposite is the case. The city of Lincoln throughout its history has been marked among communities of its size for the excellent quality of its citizenship. It is a prosperous residence city, a city of schools and churches, and the seat of the state university. Other state schools of a denominational character are found in three of its suburbs. The life of the city is not dominated by the University of Nebraska, as would be the case in a smaller community; nor, on the other hand, does business bulk so large as to dwarf the influence of the University. With Omaha as the commercial metropolis of the state, Nebraskans value Lincoln as a place in which to live; and many look to it for leadership in letters and in moral and political reform.

The city is the favorite headquarters and meeting-place for advocates of every cause sought to be furthered in the state as a whole. It is significant that, in not a few instances, ordinances of the city of Lincoln, in their passage and enforcement, have anticipated state legislation along similar lines—a fact no doubt in part due to local observations made by the lawmakers during the legislative sessions. Thus the high-license liquor law of 1881 was preceded by a high-license ordinance in Lincoln; and, three decades later, a state law closed saloons at eight o'clock in the evening a year or two after Lincoln had closed them by

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ordinance at seven o'clock. Lincoln nominated its officials at a direct primary ten years before the state enacted its direct-primary law. A similar sequence may be observed in municipal and state policies concerning the social evil, and, no doubt, as to numerous other questions. The "Holy City" is the derisive appellation Lincoln has received from elements within and without its borders that resented its advanced positions.

It is true, as in any community, that some sections of the population have been persistently averse to social betterment, and more than once the city has relapsed into conditions from which it had striven to free itself. As in other American cities, there has been more or less petty graft in the administration. But when all is said, the assertion still holds good that in Lincoln and in Lancaster county opportunities for the proper enforcement of the naturalization laws have been as good as, if not better than, in the average American community; and it is believed that the characteristics and deficiencies noted in this local study will be found to be typical of the enforcement of naturalization laws the country over.

Typical, therefore, in all probability, is the fact that this community is ignorant of the process by which aliens are made citizens, and is wholly indifferent to the matter except when an unusual issue of first papers causes the opposition to raise a hue and cry about the "foreign vote." After the heat of the election has passed, concern subsides, and no suggestion is made that the political disease be diagnosed and prescribed for. The present study leads to some very obvious conclusions.

The greatest need is a change in the state constitution from alien to citizen suffrage. An amendment to this effect was submitted by the legislature of 1909 and voted upon at the following state election. Instead of being considered on its merits, it was entangled with the liquor issue, which was the most important feature of that campaign. The saloon forces openly opposed it, and surreptitiously secured the support of such organizations as the German American Alliance to further their selfish interests. Although the proposed constitutional amendment was submitted by a Democratic legislature, the 1910 state convention of that party repudiated it. Certain candidates on

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the Republican ticket traded it off for "wet" votes in the foreign wards of the capital city. The amendment was overshadowed by the personal nature of the campaign; it was not generally understood; and there was no organized effort made for its defence, although it was one of the most important questions Nebraska has voted on for years.

The importance of the proposed change from alien to citizen suffrage is shown by a number of facts.

(1) The change in the type and character of the average foreign immigrant demands a period of preparation longer than six months.

(2) By alien suffrage Nebraska virtually nullifies the federal naturalization law, which contemplates a five-year residence, probationary and preparatory to citizenship.

(3) The federal law demands proof upon oath of the "good moral character" of the prospective citizen when he secures his final paper, and recent prosecutions in the state show that an honest attempt is being made by the general government to enforce this provision. But the first paper makes no such challenge to the alien in Nebraska, and not until 1906 did it debar the polygamist or the anarchist.

(4) Under the new naturalization law, which limits the validity of the declaration to seven years, the following complication will arise. In 1913 declarations made under the act of 1906 will begin to become invalid, and it will fall to the lot of the registration and election boards to detect and exclude this class of illegal voters. Judging from experience this will not be done, and there is presented the possibility, or rather the probability, of an increasingly large number of illegal votes.

(5) The assumption of the illegality of the votes of aliens whose declarations have lapsed is based upon the provision of the state constitution which grants the suffrage to "persons of foreign birth who shall have declared their intention to become citizens *conformably to the laws of the United States* on the subject of naturalization." While the federal law regards the declaration as void after seven years, there is apparently nothing to prevent the alien from renewing his declaration, and thus the state will continue to make the federal law of no effect.

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(6) While it is probable that no great danger lies in the fact, it is none the less anomalous, that any office in the state, with the exception of governor, lieutenant-governor, supreme judge and district judge (and possibly state railway commissioner and municipal library director), may be held by a foreigner who has merely declared his intention of becoming an American.

(7) Under the act of 1906, a minor can declare his intention at eighteen years of age. What is to hinder him from voting? Nothing except the fact that the registration record should show him to be under age. But as a matter of fact, the registration records in one foreign precinct in the city have recorded the age only three times in fourteen years. What is true of this precinct is true of all the other foreign precincts of the city.

This fact suggests what is probably the second great need, especially in the urban communities of the state: careful and competent election and registration boards. Although there is a considerable foreign vote in this city, seldom if ever are the boards instructed upon the law governing this matter. The fact that a man has been voting for years is no reason *per se* that he is a legal voter. Yet when a new member of a registration board protested against a foreigner's right to vote, an older member replied disgustedly: "Aw, don't be so particular. He's voted down here for years. Let him vote." Every foreigner who has the right to vote should be allowed and encouraged to do so, but those who have been voting illegally for years, more through the carelessness of the election boards than through their own dishonesty, should be debarred.

In addition to enforcing the law against illegal voters, the election boards can do more than any other existing agency to encourage the foreigner to complete his citizenship. The suggestion was made to a member of each of two different election boards that he tell every man who had taken out his first paper since 1906 that he must complete his citizenship within seven years or lose his vote. One of these men carefully explained the law to each voter concerned, and even urged the matter upon the other foreigners, by telling them they were failing to naturalize their children by not taking out their second papers. But the member of the other board to whom the

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suggestion was made replied: "Well, keep still, and let them lose their vote." But participation in politics, even though it is sometimes vicious, is a great factor in the assimilation of the foreigner; and it makes for the safety of the state, instead of denying him this privilege, to teach him how to exercize it independently and intelligently.

The exigencies of the new naturalization law have created a very definite demand upon the community for the education of the adult foreigner. Within the next seven years, more than 850 foreigners, most of whom live in the city of Lincoln, must be able to speak the English language and must pass an examination in civics before the district court in order to secure their second papers. Most of these men work in groups composed of their own countrymen and naturally converse almost entirely in their mother tongue. Their children learn English at school. Their wives learn it as they work in the homes about the city. But these men who are voting are unable in many instances to carry on even a limited conversation in the English language, although some of them have lived in the city for six or eight years. Valuable assistance is offered them in preparing for their examination by the deputy clerk of the district court. He has secured copies of a pamphlet entitled, *The Law of Naturalization made easy to understand*, published in twelve different languages by the deputy clerk of Cook county, Illinois. He offers a copy of this to every declarant at its original cost of fifteen cents. In addition to this, he has frequently given his evenings in helping prospective citizens to gain the necessary information. What more patriotic service can an American citizen render?

But the community owes more than this to its alien voters. It is not called upon to create a demand, for this already exists, not only through the responsibility imposed by the new law but by the requests of the foreigners themselves. There is a pressing need for night schools for aliens. These schools should be under the immediate direction of the school board, in order to eliminate expense and to avoid any religious or political prejudice which might arise were they conducted by a private organization. Moreover, they should be located in those parts

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of the city where the demand exists. Workingmen and women should not be expected to walk two or three miles at night after a hard days' work in order to attend the schools. Instruction in the English language will assist the foreigners not only in their relation to politics but also in their relation to industry. There are not a few skilled workmen among them who are holding inferior positions solely on account of their ignorance of the language.

In addition to preparing the foreigner for citizenship by education, some public recognition of the newly naturalized citizen is commendable. This is not best done by assisting in the celebration of individual nationalities, such as are held on Columbus Day, German Day and similar occasions. These are family affairs; and while their purpose within each race is perfectly legitimate, they naturally look to the past. A recognition of all nationalities, looking to their future as American citizens, would be better. Such is the unique program carried out by the City Club of Rochester, New York, which entertains at an annual banquet all the foreigners who have been naturalized during the preceding year. The meeting is held in connection with the celebration of Independence Day and is addressed by speakers of various political and religious tendencies. It seeks to bring together all the foreigners of the city and thus breaks down race prejudice among them.

No small benefit comes to the native American himself from such a gathering. He learns what it is to practice real democracy; for, after all is said, the ideal solution of the problem of the "foreign vote" is the personal, unselfish interest of the decent American in his foreign fellow-citizens. He gets a new appreciation of the drawing power of his land, to which a million strangers flock every year. And, finally he comes to a realization of the part his own country has played in its insistence upon freedom of expatriation—a right for which it has contended in war and diplomacy, and which it has induced almost every civilized country to recognize.

HATTIE PLUM WILLIAMS.

LINCOLN, NEBRASKA.

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PRESENT PROBLEMS IN RAILWAY REGULATION

THE three vital features of the Mann-Elkins law of 1910 were: the creation of the Commerce Court, for the purpose of expediting the judicial review of cases appealed from the Interstate Commerce Commission; the grant of power to suspend rate advances pending examination as to their reasonableness; and the rehabilitation of the long-and-short-haul clause. The law was passed on June 18, 1910. Within the brief period since that time, it has successfully emerged from a supreme test respecting rate advances; enough experience has already been had with the new Commerce Court to warrant an opinion as to its merits as a special tribunal for the review of transportation decisions; and, finally, an opinion by the Interstate Commerce Commission has been rendered, and is now under review by the Supreme Court of the United States, in the most important case ever likely to arise under the long-and-short-haul clause. Predictions were freely made in 1910 that certain shortcomings in the revised law, particularly the failure to grant control over minimum rates and the establishment of differentials between rates, would soon have to be remedied. Recent experience throws some light upon these questions also. It is thus an opportune time to review the entire situation respecting federal railroad regulation.

When the Commerce Court was created, fears were entertained that it would not have enough business to employ its time. This prediction is far from being realized, judging by the record of the first year.[1] Including thirty-six cases transferred to it from the various federal circuit courts, a total of fifty-seven suits had been placed upon its docket up to December 20, 1911. Fifty-four of these cases directly concerned orders of the Interstate Commerce Commission, the large majority (forty-four) being suits brought by carriers to set aside such

[1] Interstate Commerce Commission, Annual Report, 1911, pp. 53, 57, 59 and 206.

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orders. The commission appealed to the court but once for enforcement of its mandates, the remaining nine cases being appeals of shippers for relief. But a number of these suits have been withdrawn or dismissed, or else lie outside the class of what may fairly be called contested cases. Only thirty-eight of them are in reality of significance as throwing light upon the function of the court as an appellate tribunal, standing between the Interstate Commerce Commission and the Supreme Court of the United States. Thirty of these had been disposed of up to December 20, 1911. That the court takes itself seriously as a check upon, rather than a mentor of, the commission is evidenced by the fact that restraining orders or final decrees in favor of the railroads and against the shippers and the commission were issued in all but three really important cases out of the entire thirty. And even of these three cases the Commerce Court held two to be outside its jurisdiction, while in the third the carriers had already joined in the view of the commission, so that there was really no contest.[1]

A bitter campaign for the abolition of the Commerce Court, as a result of the tendency of its decisions, was waged in Congress during the session of 1911–12. The House of Representatives, in response to popular feeling, promptly passed a bill abolishing it forthwith, the vote standing 120 to 49, with many Republicans joining the Democrats in its condemnation. A sharp contest was precipitated in the Senate over "the legislative recall of judges," as the matter was not inaptly termed. The administration, through the attorney-general, ably defended the imperiled court.[2] Evidence was adduced to show that the commission had been sustained in a larger proportion of cases

[1] Since this time a number of cases have been decided, on the whole more favorably to the commission. Notably in the Willamette lumber case, for example, it was fully upheld: no. 59 April session, 1912; and also concerning southern rates: no. 40, February session, 1912. In June several petitions were dismissed for lack of jurisdiction. In the Shreveport case, notable as involving conflict of federal and state authority, the commission's order was enjoined in June on the ground of confiscation of property.

[2] 62d Congress, Second Session, H. R. no. 472, and Hearings on H. R. 1907–08 before House Committee on Interstate Commerce, March 14, 1912.

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than under the old circuit-court system[1]; that injunctions had not issued with greater freedom than formerly, and that none of them turned upon questions of fact; and, finally, that the administration plan had been very much more expeditious. But so far as Congress is concerned this evidence seems not to have been convincing. The Senate soon followed the House of Representatives, by a vote of 36 to 23 defeating an amendment to the Legislative, Executive and Judicial Appropriation Bill that made provision for further maintenance of the court. So strong was the feeling that only by a close vote was an amendment defeated which sought to legislate the justices out of office as well as out of the Commerce Court. The final conference agreement between the two houses, appended to the appropriation bill above mentioned, definitely abolished the court but reassigned the justices to service in the circuit courts, from which most of them were drawn. These details are highly significant as indicating the impatience of Congress with any attempt at interference with the positive program of administrative control of railroads decreed in 1906–10. The fate of the court now seems to rest in the hands of the president, its original sponsor. A delicate situation, concerning the relations between Congress and the executive in the matter of legislative "riders" to appropriation bills, seems likely to result. Whether such summary proceedings as those initiated by Congress are warranted by the situation would seem to depend upon the final disposition of the contested cases by the Supreme Court, before which tribunal most of them are now pending on appeal. If it appear that the court has in reality, as alleged, sought to usurp powers legitimately exercised by the commission, the case for abolition will be greatly strengthened. But, in any event, the certainty of a presidential veto of any law affecting this pet project of the administration promises to render the present attack upon the Commerce Court abortive.[2]

The determination of the proper scope and function of the

[1] *Cf.* the writer's analysis in the *Atlantic Monthly*, September, 1905.

[2] As this issue goes to press, the bill, with the "rider" abolishing the Commerce Court, has passed both houses; the president has vetoed it; and an attempt to pass it over the veto has failed in the Senate.—EDS.

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Commerce Court was substantially forwarded by several decisions of the Supreme Court of the United States in June, 1912. The general effect of these was substantially to curtail the overweening ambition of the intermediate judicial body. Following the Goodrich Transit Company opinion,[1] which reversed the Commerce Court, all three of these latest opinions on appeal again favored the Interstate Commerce Commission as against its judicial reviewer. In two instances, the assumed jurisdiction of the new court was denied; while in the third, although its jurisdiction was recognized, its decision was reversed. Because of their bearing upon the action of Congress, a brief review of these cases may not be out of place.

The Proctor and Gamble Company, well-known soap manufacturers, had complained of certain regulations concerning demurrage upon their tank cars. The commission upheld the carriers, affirming that their rules were proper and lawful. The complainants thereupon appealed to the Commerce Court, which claimed jurisdiction to award pecuniary relief; although in this instance it declined so to do, on the ground that the commission had rightfully decided the matter in the first instance. Appeal then followed to the Supreme Court, with the odd circumstance that the commission and the railways joined issue against the shippers. The question was largely a legal one, involving definition of the jurisdiction of the new tribunal. The Supreme Court in this instance[2]—and, it may be added, in the Cincinnati Freight Bureau case,[3] which similarly involved the relative powers of the court and the commission—unanimously affirmed the right of the commission to decide such matters of fact finally.

> To recognize the existence in the court below [the Commerce Court] of the power which it deemed it possessed, would result in frustrating the legislative public policy which led to the adoption of the act. . . . The act creating the Commerce Court was intended to be but a part of the existing system for the regulation of interstate commerce. . . . It was

[1] Discussed *infra*, p. 433.

[2] Proctor and Gamble Company *v.* United States, 32 Supreme Court Rep. 761.

[3] Hooker *v.* Interstate Commerce Commission, 188 Fed. Rep. 242.

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not intended to destroy the existing machinery or method of regulation, but to cause it to be more efficient. . . . Wholly irrespective of the general considerations stated, we think the conclusion of the [Commerce] Court, as to its possession of jurisdiction over the subject referred to, was clearly repugnant in other respects to the express terms of the act.[1]

Such a pronouncement, following the line of decisions headed by the Illinois Central car-distribution case,[2] must make for concentration of responsibility and more effective regulation in the years to come.

The third decision of the Supreme Court, above referred to, is known as the "restrictive rate case."[3] Might railway companies—the Baltimore and Ohio and others—charge a different rate for the carriage of coal to railways than to other shippers, the coal being intended for the use of the railways as fuel? In this instance the commission forbade the practice. Its order was then promptly enjoined by the Commerce Court. Jurisdiction of the Commerce Court was conceded by the Supreme Court in this instance also, but its opinion was again flatly reversed. The issue at bottom was really a question of value of service as against cost of service in the determination of reasonable rates. Obviously the cost of carrying railway-fuel coal between two given points is practically the same as that of carrying commercial coal. The commission, supported now by the Supreme Court in frowning upon any difference in the charge, was thus according priority to this consideration of cost. The view of the Commerce Court, which was here reversed, tended, on the other hand, to emphasize such facts as that the two sorts of coal were intended for different purposes and did not come in competition with one another as to price. In other words, the value of service—what the traffic would bear—was given greater weight than mere considerations of cost. The Supreme Court declined to accept this view, preferring to regard transportation as a matter of physical carriage

[1] 32 Supreme Court Rep. 766, 768.

[2] I. C. C. *v.* Illinois Central Railroad Company, 215 U. S. 452.

[3] I. C. C. *v.* Baltimore and Ohio Railroad Company, 32 Supreme Court Rep. 742.

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of goods, rather than to look beyond this essential service "to the greater or less inducement to seek the service"—that is to say, to regard its commercial aspects.

The last of this batch of Supreme Court decisions was mainly on a question at law, *viz.* the right of the Commerce Court to enjoin the enforcement of an order of the commission concerning certain allowances for lighterage and terminal service on sugar in New York harbor.[1] The judicial poise of the Supreme Court was here evidenced in its affirmation of the right of the Commerce Court to issue the injunction. The plain purpose of the law in setting up this intermediate tribunal as a safeguard against abuse of administrative authority was given effect; but it was ordered, nevertheless, that the case be remanded, to be disposed of on its merits before the Interstate Commerce Commission, the forum selected by Congress for that purpose.

The grist of cases appealed to the Commerce Court may profitably be divided for discussion into two groups, *viz.* those which clearly concern questions of law and those in which matters of fact or economic conclusions based thereon are primarily at stake. The first group of purely law cases need detain us but briefly. There can be little doubt about the necessity of judicial review of law findings of the commission. The best illustration is afforded by the first decision of the Commerce Court to be reviewed by the Supreme Court of the United States.[2] Inland water carriers were not placed under the jurisdiction of the Act to Regulate Commerce by the Mann-Elkins amendments of 1910, except in so far as they were joined in control with railroads or might enter into arrangements for continuous shipments with carriers by land. But the commission, having always required railroads to file accounts covering both their local and interstate business, called upon the carriers on the Great Lakes to render similar statements as to their entire traffic, whether subject to federal control or not. This

[1] United States *v.* Baltimore and Ohio Railroad Company, 32 Supreme Court Rep. 817.

[2] Goodrich Transit Company *v.* I. C. C., Commerce Court, 190 Fed. Rep. 943 (1911). I. C. C. *v.* Goodrich Transit Company, 32 Supreme Court Rep. 436.

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the water lines refused to do. The Commerce Court, in overruling the commission, did not question the power of Congress to require such accounts, but held that it was its intention to confine publicity to that portion of the lake traffic over which the jurisdiction of the commission actually extended. It thus appears that the law point was doubly important, inasmuch as its determination affected not alone the enforcement of publicity for water lines but also of all carriers by land, so far as their intrastate business was concerned. Fortunately the Supreme Court, in sustaining the commission, held that the Commerce Court had erred in confusing "knowledge" of intrastate business with its "regulation." As to the former, the authority of the commission was fully upheld. This and the important question upon which the entire intermountain rate controversy rests, namely, as to the authority of the commission to prescribe relativity of rates,[1] are the most important points of law yet raised before the new tribunal. Other legal questions decided by the Commerce Court—generally in favor of the railroads, be it observed—were: whether reparation might be claimed for an unreasonable rate when the burden had been already passed on to the consumer[2]; whether the Nashville Grain Exchange might lawfully intervene in proceedings before the commission under the liberal terms of the law of 1910[3]; whether "separately established rates" applied by a carrier to through traffic when there is a through rate but no joint rate are matters of interstate commerce or not[4]; as to the limitations by law of the right of carriers to refund overcharges to shippers[5]; and whether the Union Stockyards Company was a common carrier engaged in interstate commerce, and thus subject to control as to preferential treatment of shippers.[6] However these cases may be finally decided by the court of last resort, there can be no conflict of powers between the Commerce Court and the

[1] *Cf. infra*, pp. 451 *et seq.*

[2] Russe and Burgess *v.* I. C. C., 193 Fed. Rep. 678.

[3] Nashville Grain Exchange *v.* United States, 191 Fed. Rep. 37.

[4] Denver and Rio Grande Railroad Company *v.* I. C. C., 195 Fed. Rep. 968.

[5] Arkansas Fertilizer Company *v.* United States, 193 Fed. Rep. 667.

[6] United States *v.* Union Stockyard and Transit Company, 192 Fed. Rep. 330.

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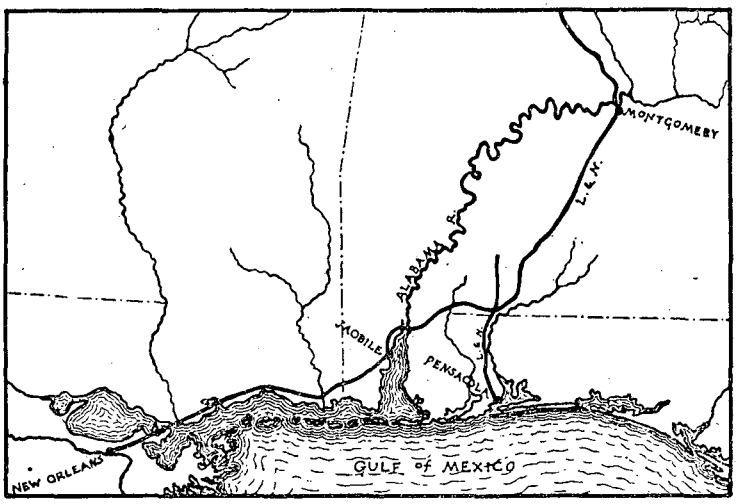
commission in regard to such matters of law.[1] The real bone of contention between the two bodies—the administrative and the judicial—is the question of their respective powers outside the field of law.

A typical case before the Commerce Court concerned rates from New Orleans to several competing cities on the line of the Louisville and Nashville Railroad.[2] An interesting phase of local discrimination appeared. The accompanying map dis-



closes the situation. Normally the through rate from New Orleans to Montgomery (the long-distance point) would be less than the sum of the local rates from New Orleans to Mobile (the intermediate point) and then from Mobile on to Montgomery. This would conform to the general rule, which is based on the simple fact that through rates, being competi-

[1] The fine point involved in the revival of the Cincinnati Freight Bureau case, Hooker *v.* I. C. C., 188 Fed. Rep. 242, is too complicated for discussion here. It will be fully considered in the writer's forthcoming treatise on the subject now in press.

[2] Louisville and Nashville Railroad Company *v.* I. C. C., 195 Fed. Rep. 541. In this case there was no dispute as to facts, but only as to the conclusion to be drawn therefrom. A straight difference on points of fact was raised in the Pacific Coast switching cases: Atchison, Topeka and Santa Fé Railway Company *v.* I. C. C., 188 Fed. Rep. 229. The dissenting opinion, 188 Fed. Rep. 929, as to usurpation of the rights of the commission, is significant. *Cf.* Annual Report I. C. C., 1911, p. 56.

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tive, are usually forced below the range of local charges, commonly unaffected by such competition. In this case the situtation was unique. Water competition affected the local rates, both into Mobile from New Orleans by sea, on the one side, and then up the Alabama to Montgomery by river steamer on the other. But such water competition did not apply to the through rate, probably because through shipment by water would necessitate a transfer *en route* from a gulf steamer to a river boat at Mobile. Thus in this case it came about that local competition was keener than the rivalry as to through traffic. The Louisville and Nashville, nevertheless, had secured the bulk of the business to Mobile by reason of the low local rates by rail which had been allowed for many years, even after practical elimination of the water lines. The situation was certainly anomalous, from the viewpoint of cost of service by rail alone, in that the freight rate was higher on goods sent to Montgomery direct than when shipped on a combination of local rates on Mobile traffic. This situation, it is apparent, would enable Mobile jobbers to buy goods in New Orleans and actually lay them down in Montgomery for less than the freight charges to the Montgomery dealers who were on the spot. The same situation prevailed at Pensacola.

The immediate cause of dispute was the promulgation by the commission in 1907, under the new powers conferred by the Hepburn Act, of a rule that through rates must not exceed the the combination of locals between the same points. To comply with this rule, the Louisville and Nashville, in this instance, faced the alternative either of reducing the through rate from New Orleans to Montgomery to the sum of its local charges, or else of raising one or both of the latter. The railroad naturally chose the latter course—now enabled to do so with safety as the boat lines had long since been put out of business. It advanced its local rates from New Orleans to Mobile sufficiently to make the new combination of local charges equal the through rate to Montgomery. The commission, on complaint of Montgomery, suspended this advance; seeking to compel the railroad to even things up, not by advance of the local charges but by a reduction of the through rate. This, it is

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obvious, would relieve Montgomery of the discrimination in favor of Mobile of which it complained. As to none of the facts above outlined was there dispute between the court and the commission. The controversy turned upon which of the two remedies should be chosen to meet the situation. Were the through rates unreasonably high? This was the commission's contention. If so, equalization should be attained by their reduction. Or, on the other hand, were the local rates unreasonably low? If so, they might be evened upward with propriety. This was the contention of the Commerce Court, leading it to set aside the order of the commission. Which was the body competent to pass upon such issues? The Supreme Court had to be called upon to decide. And in the meantime, there was the same old story of delay, while irreparable loss to shippers went on.

In another recent instance, the California lemon rate case,[1] the issue was even more sharply drawn between the commission and the Commerce Court. The latter, it is averred, not even contented to draw its own conclusions in matters of fact, made an "attempt to look into the mind of the commission for the purpose of ascertaining the reasons on which its order was based." The case dated from 1909, when the blanket rate from the entire territory east of the Rocky Mountains was advanced by the railroads from $1.00 to $1.15. This action followed the imposition of a high protective duty on lemons in the Payne-Aldrich tariff. After careful investigation the commission, reviewing the whole matter of rates upon citrus fruits, ordered the lemon rate to be reduced once more to $1.00. Appeal was promptly taken to the Commerce Court, which set aside the order as without the scope of authority delegated by Congress. The court held that the commission had sought so to adjust rates as to afford protection to the California lemon industry against foreign competition, especially from the growers in Sicily, in place of confining its attention to the "intrinsic reasonableness" of the transportation charge. The

[1] Atchison, Topeka and Santa Fé Railway Company *v.* I C. C., Commerce Court, April session, 1911, no. 7; 190 Fed. Rep. 591. Second opinion in 22 I. C. C. Rep. 149.

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gage thus thrown down was promptly taken up by the commission in a second opinion, rendered within two months of the injunction granted by the Commerce Court. This time, it exhaustively considered all phases of the cost and manner of transportation for oranges and lemons and re-affirmed its opinion that the rate of $1.00 per hundred pounds was reasonable. At this writing the matter rests there. What the Commerce Court will do remains to be seen. The case, as restated by the commission, is masterly in its discussion of the responsibilities laid upon it by the law. "Is the country to be treated as a whole for commercial purposes, or shall it be infinitely divided?"

The intermountain rate cases, subsequently discussed as a phase of the long-and-short-haul question, illustrate even more clearly these conflicts between the court and the commission. But they introduced no new legal technicalities. They merely emphasize the critical nature of the controversy, so far as it concerns the larger constitutional question of separation of powers between the three main branches of our government.

The situation, as revealed by these typical cases, reduces itself, in brief, to this: it is the same old question of broad *versus* narrow court review all over again. The Commerce Court holds it to be its proper function, as a court of law, to review in the broadest way all cases which come before it on appeal. The commission, on the other hand, maintains that not only all matters of fact, but all inferences as to economic facts, of necessity lie solely within the range of its authority. And it is certainly true that, without some such limitation upon the right of review, the commission might about as well retire from the field of regulation entirely, and content itself with enforcing the safety appliance laws, collecting statistics and serving as a general publicity office. Fortunately the situation promises to be saved by the line of Supreme Court decisions flowing from the Illinois Central case.[1] The making of a rate for the future being a legislative and not a judicial function, the power to determine that a particular rate is or is not reasonable

[1] I. C. C. *v.* Illinois Central Railroad Company, 215 U. S. 452. These decisions also will be fully discussed in the writer's forthcoming treatise above mentioned.

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for the future, or that a particular discrimination is or is not undue, is a discretionary legislative power which can not be reviewed by the judiciary. If the Supreme Court in due time applies this reasoning to these later cases, the Commerce Court may confidently be expected to take its proper place in the federal scheme of things. Until it is forced to do so, much of the railroad legislation of recent years will fail to ensure that full measure of certainty and promptitude of relief to which the country is entitled, and which it is bound to have.

A prime test of the second important feature of the Mann-Elkins law, that which conferred power to suspend rate advances pending examination as to their reasonableness, was had in 1910. It has been so ably described elsewhere,[1] however, that it may merely be mentioned in passing. No new issues have since arisen; whereas in respect of the third feature of the law, the most important case ever likely to come before the Interstate Commerce Commission is now before the Supreme Court of the United States for final settlement. This issue, therefore, must claim priority by reason of its great importance, both in a legal and a commercial sense.

The intermountain rate cases, affording the first crucial test of the long-and-short-haul amendments of 1910, are doubly significant at this time. They afford a prime example of the struggle for supremacy between the administrative and the judicial branches of the government. And they also stand foremost among all the transportation controversies of the last generation. The grievances are long-standing. They have been before the Interstate Commerce Commission since 1889.[2] They comprehend geographically a range of interests covering the entire northern half of the United States. While the Rocky Mountain territory and the Pacific coast terminals are most directly concerned, the rights in trade of every factory and distributing point east of Denver are indirectly involved, in so far

[1] *American Economic Review*, vol. i (1911), pp. 766–789; *Yale Review*, 1910, pp. 268–288; files of the *Railway Age Gazette*; and Boston *Transcript*, November 12, 19 and 21, 1910.

[2] 5 I. C. C. Rep. 478, 510.

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as they participate in commerce with the Far West. Not even the inevitable conflict over remodeling the southern "basing point" system, by enforcement of the new fourth section of the Mann-Elkins law, is equal to this one, either in geographical scope or commercial importance. And at the same time the fact that the new Commerce Court is on trial for its life—this being one of its leading cases on appeal—endows the controversy with an even greater significance. Both in the eyes of the law and of commerce and finance, the issue is plainly of the first importance.

The transportation grievance of the tier of Rocky Mountain communities from Washington to Arizona, although simple, divides naturally into two parts.[1] The first is that the freight rates from all eastern territory to these localities are from one-quarter to over 100 per cent higher than to the Pacific coast, although the goods in transit pass their very doors and may be hauled a distance greater by one-fourth. A carload of glassware from Pittsburg to Spokane, Washington, pays a freight rate of $649.44; while the charge to Seattle, 400 miles farther west, is only $393.60. A first-class commodity (car-load) rate from Omaha to Reno, Nevada, is $858. If the goods are delivered 154 miles farther west, at Sacramento, passing through Reno *en route*, the freight bill amounts to but $600. But this discrimination is less than half the indictment, inasmuch as the compelling force of ocean competition at the coast is conceded by all. It may well be that San Francisco and its sister terminal points are unreasonably favored, rather than that the intermountain rates are unduly high in themselves. The carriers by land may indeed be, as they allege, powerless in the face of a water competition beyond their control. And if they are thus impotent, surely the government cannot account their tariffs unlawful, however irregular they may be.

The second item in the complaint of the intermountain cities is held to show the cloven hoof of the transcontinental carriers. These mountain rates, relatively so high by comparison with

[1] For Spokane, 15 I. C. C. Rep. 376 (1909); 19 *ibid.* 162 (1910); 21 *ibid.* 400 (1911). For Nevada: 19 *ibid.* 238 (1910) and 21 *ibid.* 329 (1911). The latest Denver case is 15 *ibid.* 555. For Salt Lake City: 19 *ibid.* 218.

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more remote terminals, are equally high from every point east of Denver over a territory two thousand miles in width.[1] In other words, entirely regardless of distance, the freight rate to Spokane or Reno, whether from New York, Chicago, St. Paul, Omaha or even Denver, is the same. It is indeed a blanket rate, like the fixed charge of two cents for postage. And it makes no difference how near any point in this wide zone may be, the disparity in rates against the intermountain points is relatively the same. Thus our two concrete examples, above cited, are for shipments from Pittsburg and Omaha, respectively; but in any case, be the point of origin as remote as Portland, Maine, or even as near as Colorado "common points," the disparity of rates is unchanged. They are always very much higher to the intermountain cities than on to the Pacific coast; although the carriers east of the Missouri river get no more for their portion of the haul when the goods are bound for Spokane than if they go on to Seattle for a much lower through charge. This latter fact, of course, narrows the complaint down to the policy of the western lines. The discrimination, if it be one, is clearly of their making. Whatever trouble there be originates west of the Missouri river. However much the other railroads all over the country may have joined in transcontinental business, they remain impartial onlookers in this particular contest.

Some of the causes of the apparently abnormal western rate adjustment were perfectly plain. The low rates to the coast were due to water competition, which, while now under some measure of railroad control—partially "neutralized" in fact[2]—is always present and potentially great. It will be even more controlling when the Panama canal is opened. To meet this situation, the carriers have established a series of through commodity rates which practically cover all the transcontinental business. For all this traffic exposed to water competition, the carriers allege, the intermountain territory is, if not geographically, at least for

[1] Shown by a map in 19 I. C. C. Rep. 241.

[2] 19 I. C. C. Rep. 250; 21 *ibid.* 351, 416–421; Dunn, The American Transportation Question, pp. 178–221.

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purposes of rate-making, more remote. They consequently add to the low through rate the charge for the local back-haul from the coast, in determining the charge to all the intermediate cities. Thus, they allege, a discrimination is forced upon them, not of their own creation. They could not grade all their intermediate rates down to a through tariff thus fixed at the farther end. It would mean bankruptcy. Thus far the situation is analogous to Hadley's classic oyster-car case.[1] The main difficulty arises in explaining the second half of the scheme. How did the blanket or "postage-stamp" rate zone arise, permitting exactly the same rates, whether to Spokane or Seattle, from points scattered over a territory covering practically two-thirds of the United States? Is it an artificial scheme, modifiable at the will of the carriers or of the government; or, like the law of gravitation, is it beyond the control of either?

West-bound rates from New York, Chicago, Omaha and St. Paul have come to be fixed at the same level by the forces of commercial competition between centers bidding for the far-western market. They were originally graded somewhat according to distance in the early days.[2] And it is plain that water competition, at first confined to the Atlantic seaboard, gradually extended inland. In order to secure the business to San Francisco by steamer or clipper ship, the rail charges from Pittsburg or Buffalo back to Philadelphia or New York would be absorbed in the through rate, thus gradually extending the benefits of water competition farther and farther west from the seaboard cities. And, of course, as population and manufactures grew in the Middle West, the narrow margin of such competition steadily and inexorably extended the zone of blanket rates, based on New York, in from the Atlantic coast. The direct all-rail carriers, of course, met this competition at all points. Manufactures and population continued to spread toward the West; but, imperceptibly, with ever-widening distance inland from the Atlantic, a new competitive factor

[1] Discussed by the author in *Quarterly Journal of Economics*, vol. xxiii (1909), p. 472.

[2] 9 I. C. C. Rep. 318 *et seq.*

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appeared. As the force of direct water competition lessened, market competition began to gather strength. One need not go so far as to concede that "market competition is a euphemism for railroad policy," in order to realize that artificial, rather than natural, influences gradually came to bear in the westward extension of the blanket rate. The western lines, getting the whole rate on shoes for the Pacific slope from St. Louis, while getting only a part of it if the goods came from New England, had a direct motive to put St Louis into the western market and thereafter to hold it there at all cost. Every increment in the St. Louis traffic, moreover, was surely theirs for ever. It could not be stolen away, as it might if it originated at Boston. It became a settled policy of these western lines, therefore, to meet even the water-compelled seaboard rates at all points, no matter how far west. The blanket zone thus steadily widened, out of all semblance to its originally modest proportions as based upon water competition alone. A competition natural in origin gradually merged into another of an entirely artificial sort.

The importance of both the intermountain and Pacific-coast traffic originating along the western confines of the blanket zone is steadily increasing. One record showed that three-fourths of the business at Reno, Nevada, originated west of Chicago. It all moved on the same rate as freight from Portland, Maine, whether destined to Nevada or to the Pacific coast. The disparity against Nevada was the same in either case. It was to hold this traffic, originating west of Chicago, against all eastern competitors, that the blanket zone was so abnormally widened by the trans-Missouri railroads.

For years the transcontinental rate scheme has been before the Interstate Commerce Commission. A number of decisions[1] were rendered prior to 1910, under the old long-and-short-haul clause, emasculated as it was by the Alabama Midland decision of 1896. The Hepburn amendments of 1906 had so far strengthened the hands of the commission that it made several attempts to deal with the question. But the orders in these cases were

[1] Best reviewed in the brief for the United States in the case of U. S. *v.* Atchison, Topeka and Santa Fé Railway, Supreme Court, October term, 1911, p. 10.

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confined to classified tonnage, although it was clear that most of the transcontinental business moved under commodity rates. Such car-load or wholesale tonnage, of course, is the only sort actually affected by the competition by sea. This fact greatly aggravated the discrimination against which the intermountain cities complained. For, in absence of such water competition, they enjoyed relatively fewer commodity ratings. And their youthful, though ambitious, jobbing trade was dependent upon just such special car-load rates in competition with wholesalers on the Pacific coast. If "tin boxes and lard pails, nested," moved in car-loads, Seattle got them from "anywhere east" for a commodity rate of 85 cents, as against the regular fourth-class rate to Spokane of $1.90 per hundred pounds. The commission grappled with the problem of such discrimination manfully, but made little headway until the new law of 1910 put it in better case. Then for the first time it tackled the heart of the matter, in revising the commodity rates in the great cases now under review. There is evidence that the railroads were endeavoring to remodel their tariffs under pressure in some degree from the commission even before the amendment of the law in 1910. It was recognized that some modification of the existing scheme was needed.[1] It was relatively easy to re-arrange mere class rates.[2] They were little affected by water competition. But the commodity schedules, concerned in these last cases, were far more important commercially.

Two plans were possible to mitigate the violation of the distance principle.[3] The rates to intermediate points might be lowered toward the long-distance standard. This would enable the railroads to hold the coast traffic against the water lines, but would decrease the revenues from way business. Or, on the other hand, the coast rates might be put up, regardless of water competition, in the expectation that much through business would still go by rail. The differential by land was already considerably higher than by the sea routes. The rail rates might be

[1] *Railway Age Gazette*, May 14, 1909, and November 25, 1910.

[2] Brief for U. S., *loc. cit.*, p. 12.

[3] *Cf.* Commerce Court opinion, 191 Fed. Rep. 864.

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increased somewhat further. Some coast business would be lost to the water lines, but on what remained a higher return would accrue. Moreover, a considerable development of interior distributing centers would be bound to ensue. And, best of all, the grievances of these places would be somewhat mitigated.[1] Unfortunately the Pacific coast points were in an uproar at this threat against their supremacy in the jobbing business. And, in the meantime, the new powers under which the present proceedings are taken had been conferred by the Mann-Elkins law. The carriers unaided could probably not have greatly bettered matters. But the government, at all events, chose to deal with it; so that these private attempts came to naught.

The new orders[2] are radically different from the preceding ones, not only in applying to commodity rates, under which most of the tonnage really moves, but also in respect of the form of remedy proposed. The earlier orders, to correct the discrimination, prescribed the absolute rates to be put into effect at various points. The new orders did not establish absolute rates at all, but endeavored, instead, to set up a system of relative rates, or differentials. All the former decisions had held the intermountain rates inherently unreasonable. The new opinions treat them as only relatively so. A clear distinction is drawn between real water competition and that pseudo water competition which resolves itself practically into a mere competition of markets with one another. The guiding principle adopted is that the force of water competition—the only one entirely beyond the carriers' control—of necessity increases with the proximity of the shipping point to the Atlantic seaboard. Business from New York to Seattle by rail must go at rates compelled by water competition. Traffic from Omaha to Reno, Nevada, is surely free from it. Yet under the present system no distinction whatever is made between the

[1] The plan is in *Railway Age Gazette*, June 4, 1909, p. 1182. *Cf.* also Boston *Transcript*, November 28, 1910, for other plans.

[2] 21 I. C. C. Rep. 329, 400. Both the Spokane and Nevada cases are combined in the appeal to the Supreme Court; as is also the independent order of the commission denying relief from the fourth section to the Union Pacific and other roads.

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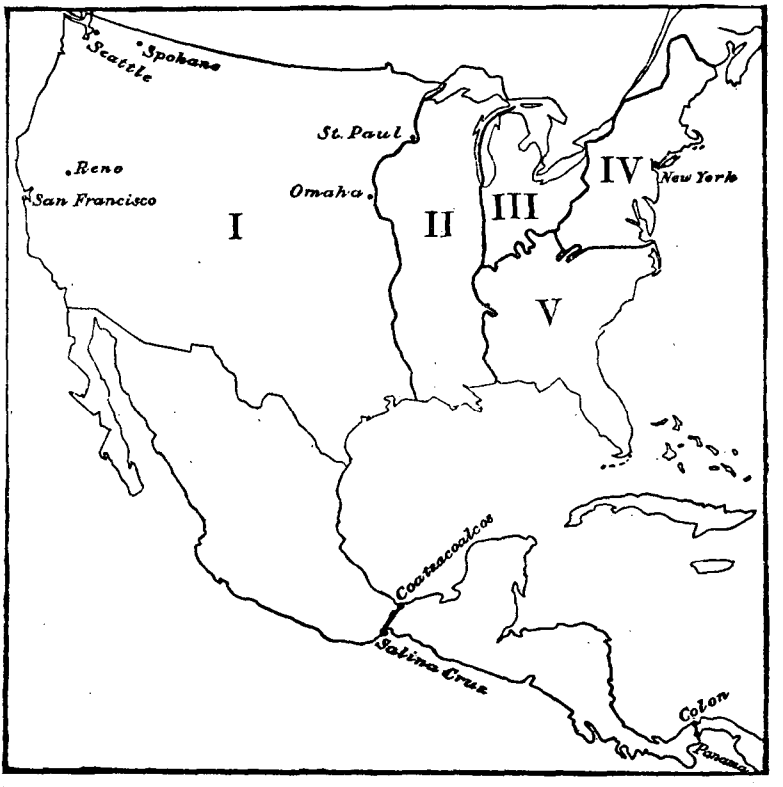
two. All rates are blanketed, regardless of remoteness from the eastern seaports. The new orders substitute a series of zones which suggest those so long prevalent in Trunk Line territory.[1] These are shown on the accompanying map. As one passes westward from zone IV, with water competition under full pressure at New York, the influence of the roundabout carriers by sea progressively diminishes; until, at last, beyond



the Missouri it becomes *nil*. Such water competition affording the only excuse for according lower rates to the Pacific terminals than to intermountain points, it follows that the disparity in charges between interior and coastal points should decrease *pari passu* as the originating point moves farther west. A substantially lower rate from New York to San Francisco than to

[1] Ripley, Railway Problems, p. 309, with map.

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Nevada may be permitted : but not from St. Paul or Omaha, for they are entirely beyond the range of such steamship rivalry.

Specifically, the commission in these orders forbade any higher charge to the mountain points from any part of zone I than applied to the Pacific terminals. From zone II, lying 400 miles more to the east, there will probably never be any considerable traffic coming back to New York, in order to go round by sea, but in rare instances there may be some. From this zone, therefore, intermountain rates may be not more than seven per cent above those to the Pacific terminals. And so on as one goes east. Rates from zone III may be not more than 15 per cent higher to Spokane than to Seattle. From zone IV to Reno, Nevada, they may be 25 per cent above those to Sacramento; but the disparity against the intermountain territory, even with water competition in full effect, may never exceed this percentage.

This ingenious plan certainly commends itself in principle to the economic student. It restores in a measure the gradations existing in 1887.[1] It does not create the zones out of whole cloth. It utilizes a scheme for division of territory already adopted by the transcontinental lines for other purposes.[2] And, most important of all, it is elastic, not prescribing absolute rates, but resting content with laying emphasis upon the need of gradation. Yet it grants a substantial measure of relief from the present disparity of rates; for, whereas the former intermountain tariffs from the East are from 50 to 100 per cent above those to the Pacific coast, the difference under this order may never exceed 25 per cent. The new scheme is cleverly planned, also, from a legal-strategic point of view. It can scarcely be attacked under the fourteenth amendment as confiscatory, inasmuch as it leaves so much latitude to the carriers in the readjustment of their tariffs.[3] To overset it on

[1] 9 I. C. C. Rep. 318. The first suggestion I find of graded rates is in the dissenting opinion in this St. Louis Business Men's League case.

[2] Brief for U. S., *loc. cit.*, p. 55. Annual Report I. C. C., 1911, p. 31.

[3] A compromise offered by the railways and accepted by commercial bodies pending the Supreme Court decisions was filed June 18. It is estimated to save Spokane shippers alone about $500,000 annually. Class rates are the commission's from the

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this ground, they must prove that from the particular rates which they choose to adopt disaster will flow. This would be an impossible task. The only choice remaining, therefore, was to attack it on the ground that the commission was exceeding its powers, delegated by Congress. This, in effect, was what was done.[1]

The opinion of the Commerce Court,[2] setting aside the intermountain rate orders of the Interstate Commerce Commission, will shortly be reviewed by the Supreme Court of the United States, to which tribunal appeal was promptly taken. Disregarding the dissenting opinion that the entire long-and-short-haul clause, as amended in 1910, is unconstitutional, the significant differences between the Commerce Court and the commission are three in number.

The first point at issue between the court and the commission concerns the differentiation of water competition from so-called market competition.[3] The court refuses to recognize any distinction between the cause of lower rates to the Pacific coast from Omaha or from New York, respectively. It ascribes the disparity in all cases to competitive forces entirely beyond the railroads' control: "If the carrier from St. Paul, in

seaboard, but from interior points are somewhat lower. The acceptance of the distance principle is the significant point.

"As the distance St. Paul to Spokane, approximately 1500 miles, is 150 per cent of the distance Omaha to Salt Lake, approximately 1000 miles, a reasonable rate from St. Paul to Spokane would not be less than 130 per cent of the rate from Missouri river to Salt Lake, and in the proposed tariffs rates from St. Paul to Spokane would be made accordingly.

"From Mississippi common points as defined by current tariffs, the rates would be 112½ per cent of the St. Paul rates.

"From Chicago and common points, the rates would be 116⅔ per cent of St. Paul rates.

"From Detroit and common points, 125 per cent of the St. Paul rates.

"From Buffalo, Pittsburg and common points, 130 per cent of St. Paul rates.

"From New York, Boston and common points, 130 per cent of St. Paul rates.

"From Colorado common points, 90 per cent of St. Paul rates."

[1] Cf. *Railway Age Gazette*, July 28, 1911, p. 162.

[2] Atchison, Topeka and Santa Fé Railway Company *v.* United States, 191 Fed. Rep. 856.

[3] Market competition is exhaustively discussed by the author in a series of articles in the *Railway Age Gazette*, beginning May 7, 1909.

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order to meet new water competition from New York," *etc.* The commission, on the other hand, clearly sets apart market competition, applicable to western cities, from that due to carriage by water, which controls rates from the Atlantic seaboard. The railways, it says, must conform in their rate-making policies to the latter. They are not bound by the former. For market competition (as already quoted) "is a euphemism for railroad policy."[1] And, speaking as an economist, ignorant of the technicalities of the law, I venture to affirm that the commission in this contention is absolutely right.[2] Even as far west as South Bend, Indiana, wagons may go to California by the direct rail route; or, with a change of ten cents in the rate, they may come back to New York and thence go round by sea. Such is the delicacy of adjustment even as far west as Chicago. But the failure to recognize that low rates to the Pacific coast from points west of the Missouri river are due to an entirely different cause—namely, the arbitrary determination of the transcontinental lines to hold the fort for their local clients against all odds—is to commit an egregious economic blunder. Furniture goes from Chicago to San Francisco on rates as low as if compelled by water competition.[3] But such competition never applies to commodities of this bulky sort, even from New York. How much less, then, can water competition apply so far inland? The carriers are bent on keeping Chicago in the market. That is the real reason. The Commerce Court has missed the main point.

Equally sound economic evidence that water competition alone is not responsible for the entire present transcontinental rate system is afforded by the fact that the wide blanket zone, already described, covering two-thirds of the United States for west-bound rates, finds no counterpart in the scheme under which rates are made up in the opposite direction.[4] It is a poor rule which will not work both ways. And surely water com-

[1] 21 I. C. C. Rep. 355, 367; the transcript of testimony here is especially illuminating. *Cf.* also Twenty-fifth Annual Report I. C. C., pp. 30–40.

[2] *Cf.* S. O. Dunn in *Railway Age Gazette*, November 25, 1910.

[3] *Railway Age Gazette*, 1910, p. 1005.

[4] 21 I. C. C. Rep. 418–423 is best on this.

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petition, when present, should be potent in either direction. It is undeniable that the absence of pushing cities along the Pacific slope desirous of developing trade relations with the Atlantic states has discouraged even the slightest extension of terminal rates inland. The ironclad monopoly enjoyed by the Harriman and Hill lines would probably prevent this in any event. But the significant point is that there is no demand for a blanket zone for east-bound traffic. Hence water-compelled rates stay where they belong; that is to say, closely confined to the Pacific seaboard cities. Thus it would also have been in the eastern half of the country, had it not been for "market competition" —this artificial factor which the Commerce Court fails utterly to recognize as in a class by itself.

The second vital difference of opinion between the Commerce Court and the commission is economico-legal. The economist in the office of critic here stands upon less firm ground. And yet, whatever the law may be, the reasoning rests upon the interpretation of the facts.[1] The Commerce Court held that "when the rate for the longer haul is forced unreasonably low by competition, the only elements that can enter into the consideration of the rate for the shorter haul are its reasonableness" *etc.*[2] The controlling idea, in other words, in the reviewing judicial mind, was that, so long as the rate at Spokane or Reno was reasonable *in itself*, it was a matter of indifference to that locality what rate might be made to Seattle. All that the Commerce Court needed to do, therefore, was to consider the "intrinsic reasonableness"[3] of the intermediate rate. Not so, held the commission. Whether this charge is reasonable or not is a question of relativity. It depends upon what rate is made to other points all around it and competitive with it. In other words, the intermediate cannot be dissociated from the long-distance point. Railroads as public carriers owe a common duty to both points. No intermediate rate, however low *per se*, can be reasonable, if the carrier is voluntarily offering a lower

[1] *Cf.* Ripley, "Local Discrimination," in *Quarterly Journal of Economics*, vol. xxiii (1909), p. 470.

[2] Brief for the U. S., *loc. cit.*, p. 37; Annual Report I. C. C., 1911, p. 36.

[3] In the lemon rate case also; 190 Fed. Rep. 591. *Cf. supra*, pp. 437, 438.

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rate to points beyond. If its lower rate beyond is accorded under compulsion, that of course is a different matter. But in so far as these low Pacific terminal rates are due to an artificial railroad policy, any discrimination against the nearer points is unwarranted.

The analogy is clear between this difference of opinion of commission and court and that between the two schools which would base judicial determination of rates in general upon inherent or relative reasonableness respectively. The "remuneration" test, which the carriers' representatives sought to insert in the law of 1906, seeks to discover innate reasonableness of rates; not affected, that is to say, by the revenue which may accrue from them in the aggregate. The other standard declares such reasonableness to be always dependent upon circumstances; notably upon the amount of the investment and the resultant earning power as arising out of the volume of business carried at the rates in question.[1]

The third difference of opinion between court and commission is purely one of law.[2] Has the latter exceeded its powers delegated by Congress in attempting to fix a *relation* of rates, instead of prescribing certain maximum rates applicable to particular points?[3] The reasoning followed is apparently derived from the Supreme Court opinion in the Chattanooga case.[4] This reasoning, the government now contends in its argument on appeal to that tribunal, is inapplicable to the since amended law. Limits of space and the natural diffidence of an economist alike forbid extended discussion of this nice point at law. The commission alleges that, except by the exercise of such authority to prescribe relativity of rates, it will be powerless to remedy such discriminations in future. In consequence, inasmuch as Congress evidently intended to enable it to afford such remedy, authority over relativity of rates must

[1] H. S. Smalley in *Annals of the American Academy of Political Science*, March, 1907, pp. 299–304. *Cf.* also Ripley, Railway Problems, chapter xxiv. The point will be more fully discussed in the writer's forthcoming Railroads, volume ii, dealing with matters of finance, valuation *etc.*

[2] Annual Report I. C. C., 1911, p. 38. Brief for United States; Supreme Court, nos. 883 *et seq.*, pp. 23–37. Also brief for I. C. C. in the same case.

[3] Commerce Court opinion, p. 15. [4] 181 U. S. 1.

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be derived by necessary implication. And it is certain, economically speaking, that in this position the commission is once more perfectly right. Whether it is legally so, remains yet to be decided.[1] In this connection, it seems odd that none of the briefs for the government mentions an important instance of the undisputed exercise of such power to establish relativity of rates. The commission has for years, even in absence of any express authorization by law until 1910, freely prescribed details of freight classification in a large number of important cases.[2] It has never done more than to fix relativity; and the constitutionality of its orders has never been attacked.

An entirely new issue is raised at this point. Prescribing relativity of rates implies determination of minimum rates. For if, as in this transcontinental case, the freight rate to Nevada points from New York may never be more than 25 per cent greater than to San Francisco, a lower limit as well as an upper one is thereby prescribed for the latter point, and *vice versa*. The rate to one point once fixed by the carrier, voluntarily if you please, the minimum rate to the other may be necessarily determined thereby. If a dollar rate prevails at Spokane, the Seattle rate must not fall below 75 cents. Is this not something new? Does it not suggest fixing, not maximum rates alone, but absolute rates as well? And if an attempt to fix absolute rates, is it not unconstitutional? There can be no two minds about the need of conferring power upon the Interstate Commerce Commission over minimum or differential rates, if effective government regulation is ever to be attained. This has been my contention for years.[3] It now has the best possible expert support from the side of the carriers.[4] Discriminatory rates can never be corrected until such power is dele-

[1] Of significance on this point is Commissioner Lane's dissent in the lemon rate case, 22 I. C. C. Rep. 156.

[2] For details, *cf.* Hammond, Rate Theories of the Interstate Commerce Commission (1911) and J. Strombeck, Freight Classification (1912).

[3] *Cf. Atlantic Monthly*, September and October, 1905. On shortcomings of the later amendments of the law; *cf.* F. H. Dixon, in *Quarterly Journal of Economics*, vol. xxiii (1910), p. 630.

[4] *Railway Age Gazette*, editorial, January 12, 1912, p. 41; and S. O. Dunn, The American Transportation Question (1912).

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gated by Congress or conferred by judicial interpretation of the law. Kansas City now enjoys lower rates to Chicago on packing-house products than are accorded to Omaha. On every sound principle of rate making, the two cities ought to be placed on a parity. But the commission cannot rectify the abuse; for the roads from Kansas City promptly reduce their rates *pari passu* with any reduction of the charge at Omaha.[1] There is no bed rock below which rates cannot go. The Omaha railroads as well as the government are powerless in face of the situation.

May power to fix minimum rates, so necessary to an adequate program of control, be constitutionally delegated by Congress? The question has never been squarely presented to the Supreme Court.[2] But the language in many cases has been such as to indicate that maximum rates alone may be lawfully established. Is the reiteration of the word "maximum" intentional? Or may it be that the judicial mind has never yet contemplated the need of regulating the minimum rate? Surely it seems an anomaly that the government should ever seek to fix such a lower limit, below which compensation may not be had. And yet many cases show that this is absolutely necessary to the end that justice may be done. Or may the unconstitutionality of fixing minimum rates depend upon the fact that, if thus prescribed along with maximum rates, it will amount, practically, to determination of the absolute rate—the bogey which the carriers seem most of all to hold in dread? Interesting and inviting possibilities of judicial interpretation are indeed suggested along this line, were there opportunity to pursue them further.

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[1] *Cf.* the Fort Worth case, decided June 6, 1911; also the Eau Claire case, 5 I. C. C. Rep. 264. The latest case in which the commission has held that it has power to suspend a proposed reduction in rates arises from just such a condition of affairs; *cf.* 22 I. C. C. Rep. 160.

[2] I am indebted to Professor Smalley of Ann Arbor, certainly the best authority among economists, for many citations on this point; as well as to Professor F. H. Dixon for suggestions. *Cf.* also 21 I. C. C. Rep. 415; Annual Report I. C. C., 1911, p. 34; and the Commerce Court opinion under discussion. Commissioner Harlan, in his dissent in the Shreveport case, asserts a clearer right over minimum than over maximum rates as against state authority; 23 I. C. C. Rep. 54.

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RECENT TAX REFORMS ABROAD

NOTHING, perhaps, in the history of taxation is more striking than the appearance of successive waves of reform. Between 1893 and 1895 there occurred movements of this character, which culminated at almost the same time in various countries, some of them widely separated from each other. A decade and a half later came another reform movement, which affected some of the same countries and which, although in some respects proceeding still further on the old lines, yet in other ways struck out in a new direction. The years 1909 and 1910 are marked by significant changes in the fiscal systems of Great Britain, Germany and Australia. It is the purpose of this series of articles to consider the real significance of these reforms, and to ascertain what lessons can be derived from them for the United States.

I. *Great Britain*

The first place in the history of the reform movement is occupied by Great Britain in the famous Lloyd George budget. This, while making in some respects a new departure in fiscal policy, is nevertheless to be considered in the main as a logical development of a movement initiated some time ago.

The agitation for augmented revenues in Great Britain has been precipitated, as is well known, by the great increase in expenditures, due partly to the prodigious addition to the naval estimates and partly to the new social legislation on old-age pensions and national insurance. Moreover, it is everywhere conceded that England is on the brink of still greater expenditures. For while it may indeed be expected that the mad race for increased naval armaments will before long reach its term, it is not unlikely that the insurance schemes constitute only the first of a series that will call for increasingly vast outlays. Even if England should adopt the policy of so-called tariff reform, it is improbable that the whole or even the greater part of its increased expenditure will be met by import duties.

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Until the repeal of the corn laws, the national revenues of England, like those of almost all other great nations, were derived almost exclusively from indirect taxes. Beginning shortly before the middle of the century, the tendency in England, as elsewhere, has been toward reliance, in an ever greater degree, upon direct taxes. First the income tax was introduced, although timidly and only as a temporary measure. Gradually its administration was improved and its yield increased, until by the end of the seventies it was recognized as a permanent part of the tax system. In the nineties the death duties or inheritance taxes were remodeled, and have since been playing an increasingly important rôle in the budget. And now, finally, the various forms of land revenue were to be added to the list of direct taxes.

It would be a mistake, however, to assume that an overemphasis was put upon direct taxes. On the contrary, a considerable part of the additional revenue in the new budget was to come from indirect taxes. In fact, so far as its fiscal policy is concerned, the Liberal party cannot be said to be opposed to the use of indirect taxes; it is committed rather to the principle that, in order to meet the growing needs of government, recourse must be had to direct as well as to indirect taxes. The English policy is to hold the balance even, not, as is often hastily assumed, to dispense with indirect taxes. Thus, if we take the period from 1895 to 1908—that is, from Harcourt's budget reform up to the year preceding the Lloyd George budget—we find that of the increase in revenues of 44 million pounds 20 million pounds came from indirect taxes and 24 million pounds from direct (see table on following page). Moreover, when attention is directed to the reduction of indirect taxes in the budgets of 1906 and 1908, it is sometimes forgotten that equal reductions were made in the direct taxes.[1]

[1] In an article by J. Watson Grice in the *American Economic Review*, vol i (1911), pp. 490 *et seq.*, an incorrect impression is left on the reader's mind as to this point. All the remissions of indirect taxes mentioned by Mr. Grice, like those on coal, sugar and tea, were simply remissions of new or additional taxes, imposed during the war period, and were more than counterbalanced by the reduction of the rate of the income tax.

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REVENUE (IN MILLIONS OF POUNDS)

YEAR	INDIRECT TAXES				DIRECT TAXES		
	CUSTOMS	EXCISES	STAMPS	TOTAL	INCOME TAXES	ESTATE DUTIES	TOTAL
1895	20	30	6	56	16	11	27
1903	35	37	8	80	39	18	57
1908	32	36	8	76	32	19	51

From 1903, which was the high-water mark of the new budgets, to 1908, the remissions of taxation were nearly the same in each of the two classes.

It was quite natural, therefore, that when, in 1909, Lloyd George found a little over 14 millions needed to carry out his program, he decided that somewhat more than one-half of the deficit should be raised from indirect taxes: from increased customs duties and excises on liquors and tobacco, together with additional stamp duties, especially on securities, a graduated tax on motor cars and a new tax on petrol. To be precise, the additional indirect taxes were to yield £7,350,000 as against £6,850,000 from additional direct taxes.[1]

[1] The items are as follows:

Liquor licenses	£2,600,000	Income tax	£3,500,000
Tobacco	1,900,000	Estate duties	2,850,000
Spirits	1,600,000	Land value duties	500,000
Stamps	650,000		
Petrol	340,000		
Motor-car licenses	260,000		
	£7,350,000		£6,850,000

The chief alterations in the indirect taxes were as follows:

Customs duties:				
Spirits:	old duty,	11*s.* 4*d.* per gal.	increased to	18*s.* 1*d.*
	additional duty,	3*s.* 9*d.* " "	" "	5*s.* 1*d.*
Beer:	old duty,	£ 1–12*s.* " bbl.	" "	£1–17*s.* 6*d.*
	additional duty,	1*s.* " "	" "	1*s.* 2*d.*
Tobacco:	old duty,	3*s.* " lb.	" "	4*s.* 4*d.*
	additional duty,	8*d.* " "	" "	1*s.*
Excise:				
Spirits:	old duty,	11*s.* " gal.	" "	14*s.* 9*a.*

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Incidentally it may be remarked that the law of 1909 repealed the old prohibition against cultivating tobacco in Great Britain (the repeal had already been applied in Ireland in 1908), which had been introduced over two and one-half centuries ago in order to foster the growth of tobacco in the American colonies and to secure the tobacco revenue entirely from customs. Henceforth the tobacco revenue in Great Britain is to come not only from customs duties but also from an internal license of five shillings and the excise.

Bearing in mind, then, the important part which the increase of indirect taxes plays in the new scheme, it remains none the less true that the chief interest of the budget lies in the direct taxes, that is, the income tax, the inheritance tax and the new land taxes.

First, as to the income tax. There are, as is well known, two different kinds of income taxation. The one is the Prussian system of the so-called "lump-sum" income tax, where a man is compelled to make a return of his entire income. The other is the stoppage-at-source system, where the income is classified into a number of categories, and an attempt is made to have the tax paid, not by the person who receives the income, but by the person who pays or advances the income to the recipient. This is the system which the English

Tobacco:	new duty,	3*s.* 6*d.* per lb.	up	to	4*s.* 8*d.*
Motor cars:	new graduated duty, £ 2– 2*s.* for 6½ h. p.		"	"	£42
	for over 60 h. p.				
Petrol:	new duty,	3*d.* per gal.			

Liquor licenses:

Wholesale dealers in spirits;	£10–10*s.*	increased to £15–15*s.*
Wholesale dealers in beer:	£ 3– 6*s.*	" " £10–10*s.*

Retail dealers: duties increased according to a percentage of the annual value of the licensed premises.

Stamp duties:

The duties on conveyances and sales, on leases (except the penny duty) and on marketable securities were doubled. On contracts the old rates of 1*d.* and 1*s.* were increased to 6*d.*, rising to £1 on contracts of over £20,000.

[1] The best account of the new excises, stamps and liquor licenses will be found in J. Wylie, Liquor License Duties, Death Duties, Income Duties, Stamps, Customs and Excises, under Parts II to VIII of the Finance (1909–10) Act, with explanatory Notes and References, Rules and Regulations *etc.* (London, 1910).

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have adopted, and which they consider far superior to the Prussian. Under it the total amount of a man's income is not divulged, except in the case of incomes under £700, where certain abatements are permitted. But the English system, largely because of these arrangements, has always involved, at least on all incomes over the normal amount of £700, a simple proportional tax and, until 1907, an undifferentiated tax as well.

The interesting feature of the new provisions is that England is henceforth to enforce both the differentiation and the graduation of the income tax. In other words, not only is a distinction made whereby unearned incomes are taxed at a higher rate than earned incomes,[1] but the beginnings of a real progressive taxation are introduced by the adoption of the so-called super-tax. That is to say, whenever the total income exceeds £5000, an additional duty of 6*d.* in the pound (over and above the normal rate of 1*s.* 2*d.*) is charged for every pound of the amount by which the total income exceeds £3000. Moreover, on the smaller incomes, in addition to the abatements that were already in force, it is provided that in the case of all incomes under £500 a reduction of £10 in the tax shall be made for each child. Thus at both ends of the scale modifications of the income tax are provided which look to a greater approximation to the principle of ability to pay.

The importance of the change lies chiefly in the application of the doctrine of progression. In order, however, to make this possible, it has become necessary to abandon, so far as the larger incomes are concerned, the old principle of the stoppage-at-source and to replace it by that of the lump-sum tax. That is to say, the proportional part of the income tax will still be levied as formerly, according to the stoppage-at-source scheme, but the super-tax will have to be assessed according to the lump-sum principle. Although some doubts were expressed as to the administrative practicability of the new plan,

[1] In 1907, when the general rate of the income tax was 1*s.*, earned incomes up to £2000 were charged only 9*d.* The Finance Act of 1909–10, which fixed the normal rate at 1*s.* 2*d.*, left unearned incomes up to £2000 at 9*d.* and assessed unearned incomes between £2000 and £3000 at 1*s.* For full details of what is meant by earned income under these laws, see Seligman, The Income Tax (1910), pp. 202–205.

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it has thus far worked without much friction. The number of super-tax payers during the first full year of the operation of the law was between ten and eleven thousand, with an aggregate income of almost 130 million pounds upon which the super-tax was about two and one-half millions.[1] It is worthy of note that the income-tax project adopted by the lower house in France pursues the same double plan.

While the progressive feature was only hesitatingly introduced into the income tax, it has been applied to the inheritance tax since 1894. An interesting feature of the new budget is the great expansion in the scale of graduation. A decided step in this direction had already been taken in 1907, when the rates of the duty on estates over £150,000 were increased, so that estates of a million pounds paid ten instead of seven and one-half per cent, and the maximum rate, on estates over three million pounds, was raised from eight to fifteen per cent.[2] According to the new scheme the estate duty, which begins at the rate of one per cent on estates from £100 to £500, now runs up, in a steep graduation, until it reaches ten per cent on estates between £150,000 to £200,000 and fifteen per cent on estates over £1,000,000.[3] In considering these

[1] Owing to the contest over the budget the returns for the year 1909–10 did not come in until the following year. For details see the Fifty-fourth Report of the Commissioners of Inland Revenue (1911), pp. 99, 100.

[2] For the exact figures of the law of 1907 see Seligman, Progressive Taxation (2d ed., 1908), p. 45.

[3] The exact scale is as follows:

On estates from		£100	to	£500	the rate is		1	per cent.
"	"	500	to	1,000	"	"	2	"
"	"	1,000	to	5,000	"	"	3	"
"	"	5,000	to	10,000	"	"	4	"
"	"	10,000	to	20,000	"	"	5	"
"	"	20,000	to	40,000	"	"	6	"
"	"	40,000	to	70,000	"	"	7	"
"	"	70,000	to	100,000	"	"	8	"
"	"	100,000	to	150,000	"	"	9	"
"	"	150,000	to	200,000	"	"	10	"
"	"	200,000	to	400,000	"	"	11	"
"	"	400,000	to	600,000	"	"	12	"
"	"	600,000	to	800,000	"	"	13	"
"	"	800,000	to	1,000,000	"	"	14	"
"	over	1,000,000			"	"	15	"

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figures it must be remembered that in addition to the estate duty, which applies to the whole of the estate, there are also the legacy and succession duties, which apply to separate shares of the estate, and which correspond to what are called in America collateral-inheritance taxes. These, which are graduated according to relationship, run up to ten per cent. The result is that the English inheritance tax under its present form is graduated up to the point of twenty-five per cent—figures which are as high as those found in any other part of the world and which, so far as the direct inheritance tax is concerned, exceed anything that is to be found in the United States.

Important as were these changes in the income tax and the death duties, the most significant feature of the budget—and the true cause of the resistance by the House of Lords which led to the epoch-making constitutional changes of the following year—was the introduction of the new land taxes.

II. *The British land taxes*

Since the gradual breakdown of the old English land tax and its conversion in 1798 into a redeemable rent charge, land in England has not been subject to any special taxation. The local rates were indeed levied on real estate, and the profits of land were subject to the income tax; but, both in the local rates and in the income tax, land was taxed only when it yielded an actual revenue, and whenever land was not rented or did not yield an actual money income it was not taxed at all. In a country like England, where there are so many large estates utilized for purposes of pleasure or other non-lucrative ends, or held for speculation, this had become a source of great embarrassment. Moreover, even as to the land that is rented, the English system differs from that of the United States in two important respects.

In the first place, in the United States land in the outskirts of the towns is subject to special assessments for local improvements. When the value of the land is enhanced by the opening or grading of streets, a portion of the enhancement of value is taken by the government, which in a sense creates it. In England, with rare exceptions in recent years, this practice

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is unknown. The British landowner enjoys the increment of value, and the burden of the expenditure is borne by the general ratepayer.

In the second place, land in the United States is taxable at its selling value; and, if the land rises in value as population increases, the landowner must still bear his proportion of the local burdens, even though the land remains vacant or is used for agricultural purposes. While some American towns are indeed in the habit of assessing vacant lots with considerable tenderness, others pursue a different practice, and in every case it is an easy matter for an aroused public sentiment to make the practice conform to the law, and thus to increase the burdens of the land *pari passu* with the rise of land values. In Great Britain, on the other hand, lands are taxable according to rental value. If they are vacant they are, as we have seen, frequently not taxed at all. If they are rented for agricultural purposes, however, their rental value is manifestly far lower than would be the case if the land were used for buildings. Consequently, even if they are subject to the local rates, they pay a pitifully small amount compared to their real ability to pay; and the growing prosperity of the town results only in benefits to the landowner without subjecting him to any corresponding burdens.

Thus from every point of view the owners of unimproved land in Great Britain constituted a favored class. They were not subject to special assessments, they were not taxed when the land was unrented, and they were undertaxed if the land was rented. In all these respects they were in a position very different from that of the American landowners. The situation in Great Britain was anomalous. The new land taxes were designed to put an end to this situation.

As far back as 1901 a royal commission on local taxation had suggested a local tax on site values; and in 1904 and again in 1905 a bill to this effect had reached a third reading in the House of Commons. In Scotland the movement had been even more decided. As soon as the Liberal party came into power in 1906 a general land-value tax bill applicable to Scotland was passed in second reading, by a large majority. It was

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then referred to a committee, and on their recommendation it was withdrawn in favor of a local valuation bill. This Scotch land-valuation bill passed the House by a large majority in 1907, but was rejected by the Lords. The same thing happened in 1908. In 1909 both schemes, the English and the Scotch, were finally taken up by the government and considerably extended, not only applying the principle to Great Britain as a whole, but also including several additional kinds of land taxes. With the political struggle which resulted in the complete triumph of the Commons we have not to deal here. The important point was the final acceptance by the country of the principle of the land taxes.

The new land taxes were four in number: the undeveloped-land duty, the increment-value duty, the reversion duty and the mineral-rights duty.[1]

The undeveloped-land duty is a tax of one halfpenny on the pound on the site value of undeveloped land. Land is declared to be undeveloped if it has not been developed by the erection of dwelling houses or glasshouses or greenhouses or buildings for the purpose of any business, trade or industry other than agriculture, or is not otherwise used *bona fide* for any such business. Although the rate of this tax is very low, it was feared that the scheme might prove to be an entering wedge for future increased taxation; and this apprehension explains the strong opposition which the proposal excited. As the bill went through the House it was considerably altered. As it reached the Lords and was enacted into law, it provided that the tax should not be applied to any land where the site value did not exceed £50 per acre. This at once exempted most of the agricultural land. It was also provided that, in the case of agricultural land where the site value exceeds £50 per acre, the tax should be chargeable only on the amount by which the site value exceeds the value of the land for agricultural purposes.

[1] The best account of these can be found in J. Wylie, The Duties on Land Values and Mineral Rights under Part I of the Finance (1909–10) Act, with Introduction, Notes and Appendices *etc.* (London, 1910). *Cf.* also a brief but excellent account in the Fifty-fourth Report of the Commissioners of Inland Revenue (1911), pp. 149 *et seq.*

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No duty, moreover, is assessed on small holdings, that is, on agricultural land occupied and cultivated by the owner, provided that the total value of all land owned by him does not exceed £500. Ownership under this clause includes leases of fifty years or more. Other exemptions are made in the case of parks, gardens, open spaces to which the public have access as of right or to which the public enjoy reasonable access, land used for games or recreations when such use is not of a purely temporary character, and in general any land where the commissioners think that it is desirable for social purposes to keep the land free from buildings. Furthermore, no duty is charged on the site value of one acre of land, whatever its use, occupied with a dwelling house, nor on the site value of five acres of garden or pleasure grounds occupied with a dwelling house, provided that the site value in question does not exceed twenty times the annual value of the land and house as assessed to the income tax. Again, it is to be noticed that when money has been expended within ten[1] years on roads, sewers *etc.*, with a view to the development of land included in a scheme of land development, the land is to be deemed developed to the extent of one acre for every £100 of such expenditure, and to that extent therefore exempted from duty. Finally, when the increased-value duty mentioned in the next paragraph has been paid on any undeveloped land, the site value is to be reduced by a sum equal to five times the amount of such duty.

In the second place, we come to what is perhaps the most interesting part of the entire scheme, the increment-value duty. This tax is payable when land changes hands under certain conditions; that is, it is levied on the following occasions: (1) the sale of any land or interest therein; (2) its lease for a period of more than fourteen years; (3) its passing to a new owner by reason of death[2]; (4) in the case of land which is held

[1] This period was increased to twenty years by the Revenue Act of 1911.

[2] An interest expectant on the termination of a life or lives is not an interest in land within the meaning of the law. When a life tenant dies, the full tax is payable; but when the land is subject to a settlement, the duty may be charged on the land by the persons liable to pay. Moreover, increment-value duty on death is not payable more than once during the continuance of the settlement.

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by any body corporate or incorporate, and which therefore does not change hands, the tax is levied every fifteen years, with the privilege on the part of the owner of paying in fifteen yearly instalments. On each of these four occasions the site value of the land is determined, and the excess, if any, of the site value thus ascertained (commonly called the occasion site value) over the original site value constitutes the increment value. An increment value of ten per cent is not taxable; but on the excess of all increments of value over ten per cent a tax is imposed at the rate of twenty per cent. In other words, the tax amounts to a fifth of any periodical increase in value over ten per cent. "The original site value" is the site value as of April 30, 1909; and on each successive "occasion," when the site value is compared with its original value, credit is to be allowed for the duty paid on previous occasions. The balance, called the "duty unsatisfied," is therefore really a tax on the entire increment since the last settlement. In case of a fee simple of land, the calculation is easy; but where the interest is less than the fee simple, the duty collectible is proportionately reduced, the balance ultimately going to the exchequer as occasions which affect the other interests in the land may arise.

In order to provide for any possible hardship arising from a depreciation in the value of the land, it is provided that when land has been sold or leased within twenty years preceding April 30, 1909, there may be substituted for the original site value one based on the consideration for the sale or the sum secured by mortgage. The Revenue Act of 1911 still further extends this concession and permits a substitute site value based on the purchase price paid by the owner of the land or of any interest therein at any period during his lifetime, provided he is still the owner at the date of application.

The exemptions from increment-value duty include: (1) agricultural land, while that land has no higher value than its market value at the time for agricultural purposes only; (2) small houses and properties which have been in the occupation of the owner for twelve months, provided that he does not own more than fifty acres in all and that the land does not exceed seventy-five pounds an acre; (3) land held by a body corporate or incorpo-

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rate and used for games or recreation; (4) the lease of tenements or flats in an apartment house. The tax is paid by stamps, as a stamp duty; and in case of sales or leases a stamped instrument must be presented showing that the tax has been paid or that it is not payable. In the case of transfers arising from death, the increment-value duty is to be collected in accordance with the provisions governing the payment of the estate duty.

The third of the land taxes is the so-called reversion duty, which is payable at the termination of any lease of land. It is a tax of ten per cent on the value of the benefit accruing to the lessor by reason of the termination of the lease. The value of the benefit is ascertained by taking the total value of the land at the time the lease terminates, less such amount as is attributable to work done or capital invested by the lessor, and deducting from the balance the value of the land at the time the lease was originally made, as ascertained on the basis of the consideration for the lease. The reversion duty is not charged on agricultural land nor on leases under twenty-one years nor when the reversion has been purchased before 1909 and the lease terminates within forty years of the purchase date otherwise than by agreement between lessor and lessee. The duty is payable by the lessor, who is required, on the termination of the lease, to give particulars of the land and his estimate of the benefit accruing. Provision is also made that reversion duty and increment-value duty shall not both be paid on the same increase of value.

In the fourth place, the new law provides for a so-called mineral-rights duty, which is a tax of five per cent on the rental value of all rights to work minerals and of all mineral way leaves.[1] From the taxable minerals, however, clay, brick, earth, sand, chalk, limestone and gravel are excepted. The tax is assessed on the proprietor or immediate lessor, and if the latter is himself a lessee he is entitled to recover by deducting the tax from the rent paid.

[1] A mineral way leave is defined as "any way of leave, air leave, water leave, or right to use a shaft granted to or enjoyed by a working lessee, whether above or underground, for the purpose of access to or the conveyance of the minerals or the ventilation or drainage of his mine or otherwise in connection with the working of the minerals."

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In the case of mineral lands neither undeveloped-land duty nor reversion duty is payable. So far as increment-value duty is concerned, minerals are not subject to the tax so long as they remain unworked. If, however, they begin to be worked after 1909, increment-value duty becomes payable in any year in which the output of the mine, as reflected by the royalties paid in the year, exceeds eight per cent of the capital value of the minerals. In computing this increment value, an allowance is made for any portion of the rental value which represents a return for sums expended within fifteen years by the lessor in boring or otherwise proving the minerals. When increment-value duty is paid on minerals, the amount of the tax is deducted from the mineral-rights duty chargeable in that year.

A general provision applying to all the land taxes is that, when any betterment charges (or what in America are called special assessments) have been levied, allowance is to be made therefor by deducting such charge from the increment value of the land, in the case of increment-value duty; from the site value of the land, in the case of undeveloped-land duty; and from the value of the benefit accruing to the lessor, in the case of reversion duty.

With reference to all these four land taxes, it will be recognized that their successful operation depends upon an exact valuation of the land. The requisite survey and valuation is provided for on a most comprehensive scale, its purpose being to determine the value of all land in the United Kingdom as it existed on April 30, 1909. The definitions of the terms used in the law, such as gross value, total value, and site value, are rather elaborate.[1] The magnitude of the task involved in making

[1] A summary made by the office of internal revenue is as follows:

Gross value is the market value of the land in its existing condition, all burdens and restrictions (other than rates of taxes) being neglected.

Full site value is gross value less the difference between the gross value and the value of the cleared site.

Total value is gross value less the depreciation due to any burdens or restrictions which have the effect of permanently diminishing the value of the land.

Assessable site value is total value less (*a*) the difference between gross value and full site value; (*b*) any enhanced value due to expenditure on development, appropriation for public purposes or redemption of permanent burdens *etc.* on the part of

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the valuation appears from the fact that the number of hereditaments in the United Kingdom amounts to about eleven millions. When the valuation books and maps are completed, they will form a record second only to the famous Domesday book of the eleventh century. The government has already set to work, and we are told that in the course of this survey there has been found an estate which has remained in the hands of the same family from the time of William the Conqueror to the present day.[1] A good beginning has been made in the process of valuation, although it will take some years before it is completed. The government estimates the cost at about two million pounds, and the time required for completing the valuation at about five years. In the meantime, naturally, the fiscal result of the new land taxes will be inconsiderable; in fact, the slight importance attached to the fiscal side of the new taxes was among the cleverest moves of the government in its contest with the landed interest, for it prevented the landowners from raising the cry of hardship. At the same time, the new taxes are expected ultimately to yield a substantial revenue; some competent authorities estimate it as likely to amount, at the present rate, to between five and six millions sterling annually. It was originally proposed to devote one-half of the proceeds to the relief of local taxation. This plan, however, was abandoned before the law was enacted, and the consideration

persons interested in the land; (*c*) the expense of clearing the site, where this is necessary for the purpose of realizing the full site value.

Speaking generally, therefore, gross value and full site value represent respectively the value of the site covered and the site cleared without reference to burdens or restrictions. Total value corresponds approximately to market value. Assessable site value represents the price which the cleared site would fetch if the permanent burdens remained and none of the outlay incurred by the owner in developing or otherwise improving the site had been expended. *Cf.* Fifty-fourth Report of the Commissioners of His Majesty's Inland Revenue (1911), p. 150.

In the case of minerals the valuation is expected to show the *total value*, *i. e.* the market value of the minerals in their existing condition, and the *capital value*, *i. e.* the total value less the value attributable to any work executed or expense incurred in bringing them into working. The capital value of minerals is therefore analogous to the site value of land.

[1] The details of both valuations, separated by almost nine centuries, are printed in the appendix to the report cited in the preceding note.

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of the point was deferred until the time when the entire relations, at present so unsatisfactory, between local and general finance may be properly adjusted.[1]

From this brief survey of the provisions of the budget it will be recognized that England is putting herself at the head of those nations which are seeking to realize the importance of the newer considerations in the theory of taxable capacity. In some respects the reform is not so drastic as it might at first appear; for in that part of the budget which aroused the greatest opposition, namely, the undeveloped-land duty, England, as is pointed out above, had been lagging behind some other countries. The introduction of a tax on the capital value of land, irrespective of its rental value, merely puts England in a position which has long since been achieved, for example, by the United States. In the matter of the unearned-increment duty, also, England had been preceded by several of the German towns. But taking it as a whole, the English system is in advance of that found in any other leading country. For it applies to the income tax both the principle of differentiation and that of graduation, of which only the one or the other is found in other countries; and it introduces into the inheritance tax a scale of progression more drastic than it has thus far been found possible to secure even in Germany.

It will be seen, therefore, that England is attempting to realize the more modern social ideals in taxation. In the first place, so far as the great mass of indirect taxes are concerned, England not only retains but increases those particular indirect taxes whose social effects may be considered on the whole relatively innocuous. It does not attempt to revert to the discarded system of the past, but confines itself virtually to the three great categories of spirits, tobacco and stamp taxation. It thus spreads over the community as a whole the burdens of a system of taxes which tends to decrease the weight of the direct taxes. Secondly, in the case of the direct taxes, England is approaching the realization of the social ideals contained in

[1] As to the present situation, see J. Watson Grice, National and Local Finance (London, 1910), and Sydney Webb, Grants in Aid (London, 1910).

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the modern theory of faculty or ability to pay. For the modern conception of ability to pay includes far more than the sacrifice theory as formulated by John Stuart Mill. The sacrifice theory looks primarily at the disposition of a man's wealth; the newer idea is that of privilege, which looks at the acquisition of the wealth. The older doctrine was a consumption doctrine; the newer doctrine is a production doctrine. The modern theory of ability to pay is a compound of both elements. The sacrifice theory is seen in the various applications of the idea of progression or graduation of taxation. The privilege theory is seen primarily in the system of differentiation as applied to the income tax and in the increment-value duty.

The English budget, therefore, is not to be regarded as a triumph for the single-taxers. It accepts indeed a small part of the single-tax reasoning, but it refuses to be bound by its narrow limitations. It adopts the idea of privilege, which the single-taxers have done such good work in spreading, but it declines to confine itself to the particular form of privilege, the abolition of which is so dear to them. The English budget not only generalizes the conception of privilege, but combines with it that of sacrifice; and the result is a scheme of taxation which is, on the whole, in advance of that existing anywhere else in the civilized world, and which, in some of its elements at least, may well serve as a model for the United States.

The forces which are responsible for Lloyd George's budget are gradually leavening the life of all modern civilized societies; and the translation into the fiscal sphere of these social forces can not much longer be delayed, whether in America or on the European continent. The new English laws are, at bottom, the fiscal expression of a great social development.

E. R. A. SELIGMAN.

(To be continued.)

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HOW GERMANY DEALS WITH WORKMEN'S INJURIES

"THE worst of it," said the head of a large railroad corporation after the New Jersey legislature had passed its Workmen's Compensation Bill, "is that they probably won't be able to prove that it is unconstitutional." Admitting that there are American employers who are showing an active humanitarian interest in the welfare of their employees, it is no exaggeration to maintain that the attitude disclosed by that remark is the attitude of the majority. They cannot understand why the protection of the lives and limbs of the people who are paid to work for them should constitute an important item in their budget, because they have not yet learned to appreciate the value, to themselves, of the health and the lives of their labor force. They are apt to regard all schemes of compensation and insurance as charity, not as justice or economy, and for charity they see no place in the business world, where everything is getting and not giving.

A study of the results of similar laws enforced in other countries might help to convert these unbelievers. It might awaken in them an understanding of the system and perhaps, in the end, create a willingness to experiment here. It is the purpose of this article to show what results the system as applied in Germany has achieved with respect to the protection and the preservation of human life. Although every European country has had in effect, for a number of years, laws similar to those passed in New Jersey, I have chosen Germany, not only because it was one of the pioneers in the movement, but because it has developed the possibilities of the scheme to the utmost, and because the recommendations made by the Congressional Committee on Employer's Liability and Workmen's Compensation and by the National Civic Federation, for state and federal legislation in these fields, contain fundamental principles which Germany has tried out and has shown to be sound.

The Bismarckian law on the subject, passed in 1881, is a very simple measure. It was framed by legislators with a clear

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insight into human nature, who realized fully that, if they wanted the law to succeed, they must arouse through it not a humanitarian interest, not a philanthropic impulse, but the instinct of self-preservation. In framing the law they adopted the motto: "Take care of the workmen, and the employers will take care of themselves." They made the saving of the employer's income dependent upon the saving of the employee's life, and they thus coupled with self-interest an interest in the welfare of the laboring force. And, as they realized that special provisions for all the various cases that might arise would never cover the field nor prevent litigation, they made but one clause—with a finality the significance of which was appreciated only in time—that, unless it can be shown that the employee has wilfully injured himself, every employer must pay a fixed sum as indemnity for any injury received by a person in his employ.

It was a painful experience for the German manufacturers—their awakening to the significance of the law—for it cost them, in the first two years of its existence, the sum of 150 million marks in compensations. But instead of allowing themselves to be crushed by these losses, or of rising up in rebellion against the law, they rallied their forces and indicated a determination to get the better of the situation.

The first thing they did was to combine, realizing that the only safeguard against the enormous debts into which the new law was plunging them lay in coöperation. The second was to form insurance companies—the safest way of unifying and making precise provision for large accident liabilities. Employers engaged in similar trades formed insurance companies of their own, called *Berufsgenossenschaften* (there is no English term for this, except perhaps "mutual associations of employers," but the connotation here is inexact). The idea was that these companies should pay workmen's compensations out of the annual premiums contributed by the individual firms. The employers managed these companies themselves, delegating to them all the unpleasant tasks that the employers did not wish to take care of separately and all the responsibilities that they could not well shoulder alone. Of the functions that were delegated to them, the *Berufsgenossenschaften* have made such

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good use that to-day they are the most powerful factors in the industrial system. They act as intermediaries between employer and employee. They shoulder the entire responsibility of making payments under the law for the employers, and they look out for the welfare of the employees; they are trade policeman, judge and jury, as well as executive head and legislative body.

Within five years after the law was passed, almost all the *Berufsgenossenschaften* now flourishing sprang into existence. Since it is their business to collect from employers all the money needed for the payment of damages and to pay it out, in case of accident, to the employees, it is to their interest to pay out as little as possible. This they do, not by trying to evade their obligations, but by providing an ounce of prevention in order to save themselves a pound of cure. They began by making suggestions for preventive measures; later they assumed the authority of making them compulsory; and, finally, they enforced them through factory inspection. Then, seeing that employers could not obey the instructions unless the manufacturers delivered the improved machinery or the required safety appliances, they went still further: they forced the manufacturers to deliver the desired goods by threatening boycott in case of refusal.

But how can they, without the force of the law behind them, compel manufacturers to spend great sums of money on improvements which are neither money-saving nor labor-saving devices? They accomplish this result by means of a cleverly conceived sliding scale of dues, based on the amount of improvements made in the factory. The insurance to be paid by the owners of the factories for their workers varies inversely as the dangers to which the workers are exposed. That is, the man who has the best-equipped factory pays the least insurance for his employees, and the man who refuses to make improvements pays the most. When he has reached the maximum, when he has entered the highest class of premium payers and still refuses to comply with the regulations of his *Berufsgenossenschaft*, he has to pay a fine equal to his annual premium.[1]

[1] In the case of Franklin *v.* The United Railways and Electric Company of Baltimore the Court of Common Pleas of Baltimore declared the compensatory law of Maryland (1902) unconstitutional because it put the entire matter of regulating the amount of in-

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This arrangement naturally results in a competition among employers to see who can do the most in safeguarding the employees—an almost incredible state of affairs.

Statistically, it is rather difficult to prove that these measures have benefited the employees or to show in what way they have helped the employers. The figures fail to show that there have been fewer injuries among industrial and agricultural laborers than formerly: on the contrary, they make it clear that there have been many more.

NUMBER OF ACCIDENTS REPORTED IN AGRICULTURE AND INDUSTRY

YEARS	AGRICULTURE	INDUSTRY
1885	. . .	10,687
1897	18,343	25,747
1904	26,920	65,205
1907	24,900	75,370
1908	25,676	74,581

At the same time, the cost of the system has greatly increased: in 1885, the sum of 58,800,000 marks was used in the prevention and compensation of injuries; in 1908, the amount was 734,701,955 marks.

There are two ways of explaining the increase in the absolute number of injuries in spite of the strenuous efforts made to prevent them. In the first place, new inventions bring new dangers; and so the number of injuries fluctuates as the adoption of live-saving devices keeps pace with the invention and application of time and labor-saving machinery. In 1908, for instance, there was a distinct revolution in agricultural machinery, and, as the preceding table shows, there was an increase in the number of accidents. Secondly, in former years, an injury

surance every employer had to pay into the hands of one commissioner, thus giving the commissioner judicial power and depriving the individual of the right of trial before a jury. (This decision is not reported; but an extract from the opinion of the court, which was filed April 27, 1904, is printed in U. S. Bureau of Labor Bulletin, no. 57, pp. 689, 690.) The German system has avoided this situation—the concentration of power in the hands of a governmental officer—by providing that the employers, through their representatives, shall govern themselves and settle one another's affairs. Experience has shown that they are more apt to be strict than lenient with each other, and that there is here no opportunity for bribery or graft.

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had to be pretty serious before a workman would go to the trouble and the expense of a law-suit to collect damages. Now that the trouble is minimized and there is no expense, he is not at all slow to report the slightest injury that may be regarded as entitling him to compensation.

As these figures seem to show that the greater the sums of money expended to prevent accidents, the more accidents occur, it would seem that the statisticians who compiled them did not, like Hamlet's statists, "hold it a baseness to write fair." Instead of employing their black art to produce evidence, convincing on its face, of the merit of the system, they leave the system to justify itself by facts less easily stated in statistical form: better relations between employer and employee, a higher grade of efficiency among the workers, fewer costly damage suits, a decrease in the mortality of industrial workers *etc.* Anyone who has watched the progress that Germany has made within the last fifteen years will not hesitate to agree with Professor Seager, of Columbia University, when he says: "The adoption of her elaborate system of workmen's insurance was coincident with the beginning of a period of industrial expansion that has brought her to the front rank among the commercial nations of the world."[1]

Although the government has put the matter of the medical treatment of injured workmen and the prevention of industrial accidents entirely into the hands of the employers, it has by no means thrown off its own responsibility nor turned aside its watchful eye. To be sure, it has been relieved of the task of legislating for factory reforms and of organizing factory inspection, and its court calendars have been cleared of all industrial quarrels and damage suits. But the money which it saves through this lightening of its burden, it uses partly in helping the *Berufsgenossenschaften* in their statistical work and their factory inspection but principally by maintaining a compulsory system of sickness and old-age insurance. The government bureau which is concerned with these things is the *Reichsversicherungsamt* or Bureau of Insurance.

[1] H. R. Seager, Social Insurance (The Macmillan Company, 1910), p. 76.

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There are three kinds of compulsory insurance in Germany: (1) sickness, (2) invalidity and old-age and (3) accident insurance. Of the third, the *Berufsgenossenschaften* shoulder the entire expense. If a man is injured in the workshop, he is paid the cost of his medical treatment and a certain percentage of his yearly wage, according to the gravity of his injury. If he is totally incapacitated, he gets two thirds of his annual wages; for slighter injuries the payment is less. In the case of his death, his family gets a sum representing twenty times his daily wage plus a minimum of thirty marks for funeral expenses. Of the sum indicated, the widow and older dependents gets twenty per cent and each child under fifteen years of age, fifteen per cent, provided that the total amount paid to the family does not exceed twenty times the daily wage. In the sickness and invalidity and old-age insurance schemes, the workers share in the payment of the premiums with the *Berufsgenossenschaften* and the government. In this way, the employers are relieved in part of the cost of maintaining incapacitated workmen, and the employees in turn are made less dependent upon the employers and are forced to interest themselves in their own future by a system of compulsory saving. This arrangement provides, moreover, for a fund to take care of cases of illness not due to accident, as well as for a pension fund to take care of laborers who have passed their working years. To the government insurance fund for the sick, the worker earning less than 2000 marks a year must contribute two-thirds of the required premium (*ca.* seven to sixteen pfennigs a week, according to the amount of his wage), and his employer must pay the remaining third. To the fund for invalidity and old-age insurance, employer and employee make equal contributions, and the state increases the fund by contributing fifty marks *per capita*.

Thus the *Berufsgenossenschaften* and the government work hand-in-hand, taking care of 24 million employees or more than one-third of the entire population. The following table for the three classes of insurance may give some idea of the scope of the system. It is dated 1908, but it is the most recent available.

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	SICKNESS	ACCIDENT	INVALIDITY AND OLD AGE
Number insured	13,189,600	23,674,000	15,226,000
Men	9,880,540	14,795,400	10,554,000
Women	3,309,060	8,878,600	4,672,000
Applications for pensions	5,701,180	1,008,677	1,118,749
Income of funds (marks)	365,994,100	207,550,500	285,882,100
Paid by employers	114,913,900	181,596,600	92,211,200
Paid by laborers	236,220,200	. . . . .	92,211,200
Expenses	350,544,100	183,818,700	200,339,100
Compensations	331,049,900	157,884,700	181,476,800
Management	19,494,200	25,934,000	18,862,300
Payment *per capita*	58.07	158	165
Cost of insurance *per capita* to state and employer	26.55	7.75	15.50

The middle column represents the work of the *Berufsgenossenschaften* alone, for, as was shown above, neither the government nor the laborers contribute to the accident fund. In both the other columns, they carry part of the expense: one-third of the aggregate sum in the first instance and one-half in the last. It has been estimated that as much as six per cent of the expenditures of some of the largest and most progressive firms, such as Krupp and Company in Essen, the Doerentrupper Sand- und Tonwerke in Lippe, and the Schultheiss brewery in Spandau, is taken up by the payment of pensions, accident insurance and improvements for the worker's welfare.

The money left over after the compensations and the costs of management have been paid[1] is spent on hospitals and on

[1] James Harrington Boyd, chairman of the Employer's Liability Commission of Ohio, writes in the July, 1911, number of *The World To-day:*

"During the years 1906, 1907, 1908, ten insurance companies which kept employer's liability records, doing business in the State of New York, received in premiums from employers $23,524,000; they paid to injured employees $8,560,000; waste, $14,964,000.

"Nothing could more strikingly set forth the waste of the present system than the fact that 36.34 per cent of what employers pay in premiums for liability insurance is paid in settlements of claims and suits. Thus for every $100 paid out by employers for protection against liability to their injured workmen, less than $37 is paid to those workmen, $63 goes to pay the salaries of attorneys and claim agents whose business it is to defeat the claims of the injured, to the cost of soliciting business, to the cost of administration, court costs, and to profit. Out of this 34.36 per cent the injured employee must pay his attorney. The same report shows that the attorney gets 26.3 per cent of what is paid to the injured employee."

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tubercular and convalescent homes; for the *Berufsgenossenschaften* believe that a man partially cured and able to do a little work is better than a man totally incapacitated. The result is that the number of men and women who have been able to go back to work—even though it be work of a lighter nature—increases rapidly from year to year. There are figures to show that of the 24 workers annually injured per thousand employed, 16 are cured, three become what is known technically as "half-invalids," one a "three-quarter" invalid, one a total invalid, and three die.

Though there are practically no statistics of industrial accidents and deaths in the United States—a fact which is "indirect evidence of backwardness in the field of accident prevention"—it has been estimated by a trustworthy authority[1] that there are about two million non-fatal industrial accidents a year, of which at least two-fifths are avoidable or postponable. Such avoidance or postponement would bring about a saving of a billion and a half dollars to the wage-earners and the government.[2] Professor T. S. Adams of Wisconsin has said[3]: "American states blindly persist in modifying old laws, based upon the assumption that when an accident happens, somebody is to blame, and that the best way to prevent accidents is to

[1] F. L. Hoffman, U. S. Bureau of Labor Bulletin no. 78 (September, 1908), pp. 417–465.

[2] The death rate in the United States in 1908 was 15.3 in the thousand; the total number of deaths about one and one-half million. In a report on National Vitality, its Wastes and Conservation, prepared for the National Conservation Commission in 1909 and published in Bulletin no. 30 of the Committee of 100 on National Health, Professor Irving Fisher estimated that through medical, sanitary and industrial preventive measures 42.3 per cent of these deaths could be prevented, or rather postponed; *i. e.* that two-fifths of the illnesses could be avoided or checked and the average life prolonged by one-third. He remarks further, that, if one accepts the conclusion of Dr. Farr, the English sociologist, that for every death there are two persons ill, there are three million cases of continued illness in the United States in each year. As it may be safely assumed that one-third of this number are wage-earners, the annual loss of wages must be about $500,000,000. Add to this $459,000,000 for medical attendance (for, according to the report of the Bureau of Labor, the average amount spent by every laborer on medicine *etc.* is $27 a year, and this multiplied by the possible 17,000,000 workers makes the half-billion), and the cost of illness in the United States amounts to a full billion dollars a year.

[3] Sewall and Adams, Labor Problems (The Macmillan Company, 1905, p. 485.)

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make the blamable parties bear the consequences." Twenty-six other nations (including Russia and Spain, which we are prone to regard as being on a lower plane of civilization than ourselves) have adopted the policy of throwing the burden of the accident on the industry and not on the workman. In other words: "They have accepted the principle that each industry shall bear the burden of personal accident losses in the same way that it already bears the burden of accident losses to plant and machinery." They have learned, in consequence, to value the ounce of prevention above the pound of cure.

Most of the grains in Germany's ounce of prevention are "inspection." Inspection, in that country, does not mean simply looking about to see that everything is in order, but the giving of good counsel and practical, scientific advice. A law passed in 1900 provides for two classes of inspectors: the *technische Aufsichtsbeamten*, whose special province is the study and elimination of the industrial and hygienic dangers to be found in factories, and the *Beauftragte*, inspectors of a lower order, whose duty it is to see that the laws of the *Berufsgenossenschaft* are obeyed and its recommendations put into practice. The purpose of this law was to secure, as inspectors of the higher grade, skilled specialists not connected with any trade, and thereby to prevent the employment of *Vertrauensmänner*, or controllers with private or political interests in the trades they should control; and further, having secured the services of such men, to relieve them of the routine work of inspection and thus enable them to grapple with the problems of accident prevention. The *Berufsgenossenschaften* themselves insist that these inspectors shall be "gentlemen of tact, refinement and diplomacy, from whom no suggestion will be taken amiss."

The technical inspectors have formed an organization of their own, separate from the insurance companies to which they belong; not only for the reason that when two Germans meet they have to organize, but also because they think they can help each other with suggestions and thus attain better results than if each were to keep exclusively in his own field. Their reports, with diagrams and full descriptions of suggested improvements, are printed and circulated by their respective

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Berufsgenossenschaften. If the inspectors fail to hit upon a good scheme, or if the employers are dissatisfied with those that have been devised, the companies open up a prize competition in which anyone may take part. There have been seventy-four competitions of this sort, and they have brought in many valuable suggestions. As a result of all these efforts, there is to-day a protective appliance for practically every dangerous machine in use. Lately, thirty-six *Berufsgenossenschaften* put aside a fund yielding 177,500 marks yearly, for the purpose of encouraging the invention of safety appliances and of stimulating study and research of all kinds for the protection of life, health and labor. This is known as the Kaiser-Wilhelm-Kaiserin-Augusta-Viktoria fund. Aside from eliciting valuable suggestions, this foundation tends to develop a keen interest in the subject among the workers themselves, and gives them an opportunity to do something for their own welfare and protection. They not infrequently compete with the inspectors in this field. It may be opportune to suggest that some of the American firms that spend over $5500 annually on prizes for employees who invent labor and money-saving devices might devote an equal sum to prizes for the invention of life-saving devices.

The question of the training and selection of inspectors, of the numbers required and of the powers that should be accorded to them, is one of the most important for economists, manufacturers and statesmen who are interesting themselves in accident prevention in this country. Our factory inspection is inadequate and lax. In a recent report (December, 1910) of the committee on improvement of state inspection of factories, one of the branches of the department on compensations for industrial accidents of the National Civic Federation, recommendations were made looking to the development of a system of inspection similar to the German. According to this report: "There is no unanimity of action, no unanimity of law in the several states, and in most instances, the machinery is inadequate for carrying out the statutory provisions for the promotion of the health, safety and comfort of the working classes." Four states have no inspection whatsoever; in but two are the inspectors skilled workers; such inspectors as there are have from 300 to

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3000 factories under their supervision. Yet only two of the state commissioners reporting are of the opinion that a more thorough factory inspection would be of no avail, and one thinks it "desirable, but hardly feasible." This is a reform that is not dependent upon constitutional changes, as are workmen's compensation laws in some of the states, but merely upon awakened public opinion.

The *Berufsgenossenschaften* are naturally proud of their work; and, in order to make it better known, to awaken a more general appreciation of its value and importance, they endeavor to have courses on workmen's insurance given in all the higher schools; they also organize exhibits and maintain permanent museums, where employers and employees may go to get an idea of what is being done along these lines. The museum in Berlin (*ständige Ausstellung für Arbeiterwohlfahrt*) is the outgrowth of a small exhibit formed by two well-known pioneers in the movement, Drs. Reichel and Hartmann, and sent by them to the world expositions in Chicago, in Paris and in St. Louis. Upon its return from the latter city, in 1906, the exhibit was taken over by the government, was put into the hands of the Imperial Insurance Commission and was set up in a building of its own in Charlottenburg.[1]

A visit to this museum gives one a very clear idea of the breadth of the work and leaves one with a profound admiration for the country which takes such admirable care of the health and the life of its workmen. The government has given the building and is paying the running expenses; the manufacturers and their insurance companies provide the exhibits. It is not a place where inventors show the advantages of new devices: nothing may be put on exhibit that has not been tried out in actual practice. Although the government prints pamphlets setting forth the purpose of the various exhibits, it

[1] In organizing an educational campaign in Minnesota, the commissioner of labor of that state recently (1910) organized a state museum of safety and sanitation. To the state fair he brought a special exhibit of this museum, including four hundred pictures of safety devices in use in the state, and distributed cards to all visitors, giving advice to employers and employees on the prevention of accidents. The American Institute for Social Service has established a museum of safety and sanitation, organized by Wm. H. Tolman, at 29 W. 39th St., New York City.

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leaves each device to speak for itself and does not recommend one above another. In order to make the preventive character of the machines and appliances more prominent and more comprehensible to the lay mind, those parts which serve as a protection against bodily injuries are painted red, and those parts which protect the general health of the worker against the dangers of dust, odors and gases are colored blue. Although the government invites any and all to contribute, it reserves the right to demand the removal of any machine that has become antiquated or that has proved inadequate to the demands made upon it.

In the main hall there is a vast collection of machines used in about twenty different industries, put up there to show how the dangers coupled with them can be avoided. They are all connected with a central power plant, and there are always competent persons in attendance to explain the safety devices. One of the things shown is a centrifugal wash-machine, with its cover and the wire netting encasing its wheels painted red. The purpose of the netting is to prevent the workers from getting their clothing or limbs caught in the machinery. (Most of the companies have added the precaution of forbidding the wearing of loose kerchiefs or aprons, long beards or long pigtails.) The cover is so adjusted that the connection with the motor power cannot be made, and hence the kettle cannot turn, so long as the cover is up. This is to prevent the worker from putting his hand into the kettle while it is going around. The same principle of getting the hands out of the way before the connection can be made is illustrated in many of the other models. The soap-presses, for instance, are worked by two levers, one for each hand, instead of by foot-power, and not until both hands are away from the danger-zone, pulling levers at either side, can the press descend. Other models show how a machine should be fed automatically, so that the hands need not come into direct contact with it. Another precaution upon which the *Berufsgenossenschaften* insist is that, if anything goes wrong with a machine, it shall stop of its own accord, so that the worker shall not be tempted to repair it while the wheels are whirring. There are safety guards about such dangerous

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objects as grindstones, which at high speed have a way of splitting and hurling their fragments about the room; and there are similar guards about the shuttles of weaving looms, which have been known to jump out of their places. There is also a series of inventions on exhibit for the substitution of machine labor for human labor where too great demand is made upon the strength of the worker and overstrain may result, as in the moving of cars, the emptying of boats and trains, the carrying of material in building trades *etc.*

The second part of the main hall is devoted to the exhibition of exhaust (suction) systems for removing sawdust, steeldust, woolen and silk fibers which menace the lungs and the digestive organs of the workers. Their installation in all German factories where dangerous particles fill the air is now compulsory.[1] In chemical factories, where the dangers from acids, poisonous gases and vegetable substances cannot be prevented by the exhaust system, the regulations call for protective masks against the fumes, for medical attendance and supervision, for lectures

[1] The number of lives that might be saved in the United States by a similar regulation is suggested by the following table, taken from the records of the Prudential Insurance Company from 1897 to 1905, compiled by Mr. F. L. Hoffman. It shows the number of deaths in various trades subject to dust infection and the percentage of deaths due to such infection.

OCCUPATION	TOTAL NUMBER OF DEATHS	DEATHS FROM PULMONARY TUBERCULOSIS	
		NUMBER	PERCENTAGE
Steel grinders	117	60	52.1
Metal polishers	225	98	40.4
Tool makers	264	89	24.8
Engravers	164	61	38.4
Stone workers	763	274	36.7
Potters	346	110	33.
Glass workers	716	213	30.8
Glass blowers	251	76	30.3
Printers	1384	527	39.3
Compositors	147	53	36.1
Pressmen	178	81	45.5
Hatters	750	248	34.4
Cigar makers	1349	389	29.8
Spinners	167	50	31.1
Weavers	818	228	28.8

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and literature to call the workers' attention to dangerous symptoms and dangerous practices and for signs urging them to report immediately any indications of infection. Professor George Schlesinger, of the Charlottenburg technical high school, in his book on accident prevention,[1] says:

> Even the best preventive measures do not forestall accidents, unless the entire system is arranged with that end in view. There are certain dangers which cannot be averted by mechanical devices, and against these the only safeguard we have is continued preaching and warning. The only real safety comes from the coöperation of employer and employee: the one must supply the safeguards and the other must apply them.

To this end the factories must display, in a conspicuous place, the rules and regulations of the *Berufsgenossenschaft* to which they belong, and every laborer must report immediately when anything is wrong or out of order. If he fails to observe the danger signs, he is fined six marks; and if he willfully injures himself, he is sent to prison. The court which has jurisdiction over these matters is made up of the board of directors of the *Berufsgenossenschaft* and four other persons, two of whom are taken from the employees.

Some of the most drastic and far-reaching regulations have been established in the mining industries. Among other things, the ruling has been made that stone quarrying and sand work be done stepwise, in pyramid fashion, and not by excavation from beneath. As the malady known as "caisson disease," common among tunnel-diggers, has called forth much comment

A report by Mr. Nodler, printed in the *Minnesota Journal*, October 1, 1905, shows the ratio of deaths in eighteen other trades to deaths among farmers. It indicates how much greater is the mortality in industrial than in agricultural occupations:

Farmers	602	Copper workers	1381	Coopers	1083
File workers	1810	Iron and steel workers	1301	Brick and stone workers	1001
Lead workers	1783	Zinc workers	1198	Wood workers	994
Potters	1702	Stone quarriers	1176	Tin workers	991
Cutlers	1516	Cotton mill workers	1141	Carpet weavers	973
Glass blowers	1487	Printers	1096	Bakers	920

[1] Unfallverhütung und Betriebssicherheit (Carl Heymann's Verlag, Berlin, 1910).

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in the American press, it may be interesting to give in full the preventive measures adopted in Germany:

(1) Every laborer must present a medical certificate, to show that he does not suffer from any nose or throat trouble.

(2) If more than one atmospheric pressure is to be used, he must be supplied with a breathing outfit.

(3) Every laborer must be examined by a physician at least once in two weeks. In one atmospheric pressure, he may work eight hours; in less, no more than ten.

(4) The feeding-in of oxygen must be automatic.

(5) Every worker is to have twenty cubic meters of fresh air per hour, and this from outside, not from a room. If this can not be provided, he must have more pure oxygen at 18° C.

(6) Only electric light may be used; all other kinds pollute the air.

(7) Before coming out, the worker must be provided with warm wraps. He must then have a special room in which to rest, wash and dress.[1]

German regulation is not confined to the land industries but extends to the industries of the sea. Of the millions of passengers who cross the ocean every summer in German ships, few are aware of the extent to which they and the crew are protected by German laws. If the steamer has water-tight cross-sections to shut off the undamaged part from that which has sprung a leak, if it is not overloaded and if there is enough of it above sea-level, it is because the German government and the *See-Berufsgenossenschaft* have declared it shall be so. They inspect the health and the eyesight of the crew, the anchors, the chains and the capstans, and they see to it that the railings can bear the weight which the passengers are wont to put upon them. A keen rivalry has been stimulated between the competing steamship lines in devising new safety appliances and

[1] These regulations of the *Berufsgenossenschaft der Luftdruckarbeiter* are taken from Schlesinger, *op. cit.* Demands for such regulations were formulated at the tenth delegates' meeting of the International Association for Labor Legislation, in Lugano, Switzerland, September, 1910. Similar laws have been in force in New York since October 1, 1909; *cf.* Ninth Annual Report of the Commissioner of Labor of the State of New York.

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safeguards.[1] The latest innovation is the provision of glasses and respirators for the men who have to work in the dust that is stirred up by the packing and the loading.

The recent report of the American Department of Commerce and Labor on occupational diseases presents a most appalling picture.[2] It is reassuring to know that in Germany, where these diseases have been combated systematically for a long time, many of them are claiming fewer victims every year. One of the first to call the attention of the public to this problem was Dr. Somerfeld of Berlin, who set up the first exhibit of workers' lungs and of wax models to show the ravages of diseases due to infection from chemicals, dyes, human hair and parts of animals. This he sent all over the world, with the purpose of demonstrating the dangers of these insidious industrial evils; and it is due in great part to his insistent demand for reform that the *Berufsgenossenschaften* have come to pay so much attention to the question of the personal hygiene of their employees. Every factory, if it wishes to avoid the payment of high insurance premiums, must now provide lessons in "first aid" and a hospital room, and it must keep a medical expert in attendance who is to examine each worker, to see whether he is fit for his job. No deaf or epileptic person is to be employed to superintend machinery, none with a tendency towards dizziness as a mason, nor any flat-footed man as a porter, because they are "wiggly and unsafe." Drunkards are to be dismissed immediately, and no distilled liquor is to be allowed on the premises. (No German would have the heart to put a ban on beer.)

On the second floor of the Berlin museum (described above) are to be found the exhibits concerning personal hygiene, sanitation, housing, nourishment *etc.*, which suggest means of com-

[1] At the time of the "Titanic" disaster, the German steamship companies were insistent in making it known that the conditions contributing to the sinking of the ship and the loss of life could not have existed on one of their steamers, as the *See-Berufsgenossenschaft* inspects cross-sections and bulk-heads before each sailing and enforces the carrying of sufficient life-boats to accommodate the passengers.

[2] In January, 1911, a commission appointed by the Illinois Legislature to investigate the causes and conditions of occupational diseases published its report, making many recommendations for desirable and necessary legislation. This is the first step in this direction taken by an American legislature.

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bating occupational diseases. There are shown models and pictures from factories in all parts of the empire which are particularly progressive in the arrangements they have made for the comfort and well-being of the workmen.

It is, of course, a part of their campaign against disease that the *Berufsgenossenschaften* should make regulations regarding cleanliness, fresh air and pure food. Many demand that there be a private locker and a separate washstand, towel and tooth-brush for every employee, and that he be *required to use them*. In one of the biggest champagne factories of the Rhine country, that of Henckel-Trocken in Wiesbaden, the following placard is posted on the wall of the communal dining room: "These rooms are fitted up for your comfort. Use them as you would your own. If anyone forgets to use the soap and water at his disposal, the firm will feel constrained to dismiss him as an unfit associate for the rest of the community." This firm provides for all its employees a dinner of soup, meat, vegetable and potatoes and a supper of tea and bread and butter, for the inconsiderable sum of 1.25 marks a week. Few others do as much as this, but many provide at least an oven where the workers may warm the dinners that they have brought with them.

Since the cry of the high cost of living has gone up in all the corners of the earth, the *Berufsgenossenschaften* of Germany have undertaken to do work similar to that carried on by the Department of the Interior in the United States in educating the people to an appreciation of the values of food-stuffs. They have put up charts in the factories and have sent out pamphlets with suggestions for cheaper and better dishes.

Next to the pure-foods exhibit, in the Berlin museum, stands that of the anti-alcoholic societies of Germany, which are well launched on a vigorous campaign against the prodigious consumption of alcohol that has always seemed a necessary part of life in the fatherland. The *Berufsgenossenschaften* have taken up neither this question nor that of infant mortality as separate issues; but they have shown their interest by giving up a part of their space in the museum to the societies that make this their special work.

In the fight against tuberculosis, of course, they take an ac-

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tive interest: it is a part of their curative work. At first they failed to see any reason why they should pay attention to the "first-aid" work; but once they were persuaded that they must concern themselves with everything connected with injuries, they went ahead in the characteristically thorough German way and stopped at nothing. To-day, they are negotiating with the *Rotes Kreuz* and with the *Samariter Verein*, the two most important hospital organizations in the country, to establish clinics in the large centers of industry.

The fact that the members of the big business firms take an active part in the management of the *Berufsgenossenschaft* to which they belong and are frequently members of its board of directors has had its effect upon them: it has awakened in them a certain unaccustomed humanitarianism. As Dr. Konrad Hartman says, in his introduction to Dr. Schlesinger's book:

> It is not only through the law behind the *Berufsgenossenschaften* that the employers are goaded on to add improvement after improvement until they have covered the entire field of workmen's welfare, but through the work which they do on the committees. Through this they come into such close contact with the misery and the trouble which accidents occasion, that they develop a sense of charity, a mob-sympathy quite unknown to them before, which serves as an added incentive to more far-reaching efforts.

If similar feelings of interest and sympathy could be instilled into the manufacturers of the United States, we would not have to read that barely one-eighth of the industrial accidents are paid for, and that the best showing has been made by Wisconsin, where fifty per cent of the injured workmen received some compensation, if only for medical expenses. If we continue to kill two and one-half times and to injure more than five times the number of railroad employees that are killed and injured in Germany, and if we do nothing to stop the killing of miners and industrial workers at the rate of three and one-third in every thousand, we need not be at all surprised if we are compelled to witness a demonstration by injured workmen, such as the industrial cripples of France gave when they paraded through the streets of Paris last spring.

EVA ELISE VOM BAUR.

NEW YORK CITY.

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TURKEY IN EUROPE. III.

OF what the near future in Turkey is likely to bring forth, the events of last summer and of this have given the strongest proof; and it is well worth while to examine the facts, making a test, as it were, in a tiny chemist's tube, of the mighty forces and interests behind these recent events. To do this requires no access to chancelleries and archives. The game of diplomacy is now played with the cards on the table.

Our rapid survey of the race and religious problem, as given in preceding numbers of this Quarterly,[1] suffices to pose the innumerable social and political questions which have to be answered for Turkey in Europe by peoples and rulers. Awakening from intellectual stupor is a very dangerous stage of consciousness. All these antagonistic peoples have a superficial knowledge of the higher civilization, but they more easily fall into its vices than rise to its restraints. To the stage of clanship in the slow evolution of history there generally succeeds that of kingship, which in turn is succeeded by aristocracy, and last of all comes democracy. The rights of man can be defined only in the light of historic environment; and when Balkan demagogues prate to a stupid, stolid peasantry the doctrines of the eighteenth and nineteenth centuries as held in Great Britain, America and France, they are kindling a conflagration which can be extinguished only from without.

Then there is the ludicrous "ification" process of eastern Europe: Russification, Turkification, Magyarization, Germanization and all the rest. A Pole is not turned into a German, nor a Finn into a Russian, nor a Rumanian into a Hungarian, nor a Slav into a Turk, by violently imposing on him another language, a new education, a compulsory point of view, unfamiliar manners, customs and laws. Force begets repulsion and rebellion, hardening the heart against all receptivity. There is no fallacy of statecraft so dangerous as that of homo-

[1] Vol. xxiii, pp. 297–319; vol. xxvi, pp. 676–696.

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geneity in citizenship. The United States and Switzerland have wider divergences in origin, religion, institutions and traditions among their citizens than any other lands, yet they are second to none in the reciprocity of goodwill and mutual understanding among the individuals, races, religions and societies which are their component parts. In America the latest of the immigrants are the most passionate and devoted Americans. Liberty is the solvent of race conflicts; compulsion hardens race texture. Our history is a record of ever growing centralization, ever increasing homogeneity in essentials; of wholesome growth in the individualization of each organism, each part of the whole, so that the reciprocity, which is life, has become ever more and more vigorous. If this fact could be brought home to the rulers in the Balkans, many problems might be solved in peaceful, constitutional revolution, which now appear insoluble without intestine warfare and bloodshed.

Iteration, therefore, and that only, can make clear to us of the West the obduracy of race stocks and confessions in what was once Turkey in Europe; their defiance, contempt, distrust one of the other; their devotion to impossible ideals; their propaganda in money and men for ends they cherish but do not comprehend. Without a firm grasp on this fact the situation is, to an outsider, both absurd and incomprehensible; with it, some reasonable consideration is possible. Broadly speaking, there are two influences at work: that of the great well-established nationalities of central and western Europe and that of the passionate devotions we have noticed. At times these dual forces work together, at times they clash. Young Turkey is the creation of the former; the internal unrest is largely the work of the latter; though without the secret supply of money and arms from without the Balkans, the various guerilla bands, Bulgarian, Servian, Albanian, Greek, could not be kept on foot. Their courage, their ferocity, their discipline, their activities, all get essential stimulus, not merely from the secret service of the respective Balkan states, but from the generous subscriptions and the sub-surface agitations carried on by sympathizers in the bordering states of Europe: Austro-Hungary, Italy, and Russia

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in particular. This conviction, incapable of absolute proof, is firmly held by all close, well-informed observers. Americans cannot fail to remember similar procedures on the Mexican frontier and in Cuba.

The social order familiar to the West has three strata, a patrician class, a burgher and farmer class, a labor class; these, at least in America, are in perpetual flux, men and families passing easily from one to the other. They have comparatively little permanency and are continuously in wearing opposition to each other, the victory being at one time with this, again with that. It seems a most beneficent arrangement, because of the perpetual vigilance, the imperious self-restraint, the wholesome discipline required to rise to and maintain a position; the fittest have every chance, the unfit find relief in agitation. In the Balkans there is among the indigenous population at any moment, in any place except the largest towns, not one of these social factors; all, whether farmers, mechanics, traders or herdsmen, are confused into one dead level of peasantry and hand labor. Those who emerge as popular representatives to run what is called a constitutional government do not and cannot bring their family environment with them; it is not suited for publicity, pure and simple as it may be. Officers of state and army dress and appear like their kind elsewhere, but the society of refinement does not envelop them and control them. Even the dynasties which the masters through their chiefs have, in conjunction with the dynastic powers, mechanically set to rule over them, have no courts in the proper sense of the term. There is no controlling influence of woman in her indispensable rôle of social arbiter. Whether a mere worldling, or noble in a spiritual aspiration, the western woman is in every walk of life an uplifting power, commanding good manners and decency, outwardly at least; and obscure immorality is not so degrading to the world as flaunting vice. Where for ages the great were Moslems and the harem was the sphere of feminine activity, while the Christian, the petty worker, employed his women as beasts of burden, the totality of female eclipse was disastrous; and the small folk who now compose almost exclusively the Balkan populations have not recovered from its effects. The

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public morals are not merely without the regulating checks of social influence, but too often they exhibit the license of a harlotry which has injected itself into the lives of certain controlling men. To what has just been said there are superb exceptions; but without mention of the humiliating truth that the Balkan man holds the Balkan woman in low esteem, everything that shocks and grieves, in certain events which are notorious, is utterly incomprehensible.

This would not be true if the dynastic influences were strong and pure. The stage of development which the Balkan peoples have reached demands a person and a family as a standard. In one case, at least, the influences of the ruling house are strong and impure; in another, pure but weak; in a third, entirely negative as yet; and only in one are they a combination of strength and purity such as furnishes an elevating example to a peasant folk and gives them a rallying point for a national patriotism.

George, king of the Hellenes, was elected to his office December 22, 1862, and will therefore ere long celebrate his fifty-year jubilee. He was a Danish prince and his queen a Russian princess. Their progeny is numerous; both sons and daughters have admirable characters; the family life has been a shining example; and the heir to the throne, a brother-in-law of Emperor William II, has displayed many qualities which fit him for kingship. Father and son apply themselves to the duties of their rank with diligence and ability. The government is strictly constitutional; and while the modern Greeks display much of the mercurial, turbulent temper of the ancients, yet in this half-century extraordinary advance has been made, partly by their own initiative, partly under the tutelage of that upper class of governments we call the great powers. The only conspicuous failure is in the conduct of finance, which was so wasteful that a commission of the public debt, now established and composed of foreigners, became essential. But on the other hand there is peace, good order and much prosperity within the borders of Greece, while her sons without amass and pour treasures, great even when measured by western standards, into her educational coffers.

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Approached from the West, Athens disappoints many visitors; but to those coming from the East and considering the low estate of all lands once or now Turkish, the state both of the capital city and of the country as a whole is amazing in what it is, and is doing. Both army and navy, small as they are, have been reorganized and rendered efficient; and it is a tribute to national discipline that the behests of other governments which forbid their annexation of Crete and the Greek islands are obeyed as well as they are. The cries of the oppressed wring the hearts of their compatriots, but these abide their time with wonderful self-restraint, content with a complete reform of administration, in Crete at least, under the guidance of their crown prince. Even a casual observer will note the enormous influence of Germany in Greece, intellectually and morally. Greek statesmen, on occasions, when speaking of German culture, art and science, indulge in a turgid rhetoric which does not ring sincere, but beneath the exaggeration of their language there is much truth. It is not without result that the Emperor William spends part of every year in Corfu, that German scholars ransack Greek territories in the interest of art and history, and that Greek armaments are modeled, albeit in miniature, upon those of Germany. Yet when all this is said, it remains true that Greek royalty is in itself rather an ornament than an indigenous growth on a national life. If the dynasty maintains itself for a generation or two longer, its influence will grow stronger in geometrical ratio. If Germany be, next to the United States, the worst (or best) hated of the great nations, efforts to undermine her influence and its supports will not be lacking. There are times when the legs of the throne totter; but King George has gone far to realize his motto: "My power rests on the love of my people."

On the throne of Rumania there is well established a purely German dynasty. But whether it be strength or weakness, the German temper was long characterized by the proverb: *Ubi bene, ibi patria.* In spite of the amazing growth of a national consciousness that began in 1815 and culminated in 1870, the German of every class is strangely adaptable to his environment. The reigning house at Bukarest is a branch of the Ho-

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henzollerns, but it has performed the double task of discovering the deeply hidden well-springs of national life in its subjects and of developing them into a vigorous stream of national activities. King Charles and his poetess queen have made themselves type Rumanians; the influence of court life is profound and beneficent. Claiming Latin origins, the nation cultivates the Latin style: Paris is the Mecca of its pilgrimages; French style in army, in society, in literature and art reigns supreme. The capital has three recognizable rings of growth. The outer is mean, rural, rough and Turkish even now; the next is an interesting transition toward better living; and the inner nucleus is a small "city of light" like its exemplar, startling in its beauty, style and brilliancy. In this constitution of its parts Bukarest is a microcosm of the country as a whole: outwardly unorganized, disconnected, a mechanical mixture of unrelated parts. But this, when closely considered, is in itself a characteristic quality; a long soaking of the refractory materials is required before disintegration and reintegration begin. But the integration is there. This fact is largely the work of a government making and administering laws adapted to the conditions of its people, establishing and conducting a more than fair system of education, ruling firmly very disparate populations, showing a brave front to its mighty neighbor on the north, content with a nationality in sight, and eschewing the general Balkan tendency to dwell on the grandeur of a past to be reproduced in a visionary, dreamy future. Under the most discouraging conditions and from beginnings which were the most unpromising possible, the court, the aristocracy, the administration of Rumania have already met and solved many problems apparently insoluble; and it seems likely that two most pressing and terrific questions will likewise find an answer: that of land tenure and that of the reactionary Jew usurer—questions which are a menace to the cohesion of national elements and a riddle to western minds, and which must be examined on the spot to have even a glimpse of their meaning revealed. The former threatens all orderly living; the latter is a parasite of terrible energy.

Of the recently established Bulgarian King, or Tzar, Ferdinand, little can be said, because his day has as yet been brief.

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To read of the turbulent scenes in the National Assembly would induce a notion of insecurity; but worse scenes occasionally occur even in Westminster, not to speak of Washington, Paris or Vienna. The Bulgarians are a testy folk, quick to cry out, quick to act. The influence of American ideas in Bulgaria has been and remains enormous, thanks to the American seats of learning on the Bosphorus. The people entertain exaggerated notions of liberty, rights and equality, as they should, perhaps, to begin with. Liberty under the severe restraint of law is not an initial but a final state of mind in free government. The best-informed outsiders, however, believe and say that on the whole the dynasty suits the land; that the court in the main sets a good example; that, if the father may not be a devoted and devout Greek Catholic of the national church, the son Boris is; that careful, sensitive consideration is shown for the Bulgarian temper; that the constitutional development of politics is not hindered by the meddling of the executive to any important degree. If Bukarest be a type of Rumania, Sophia is no less so of Bulgaria. There is a palace, and there are other solid public buildings; also a few modern streets; but the city has no pronounced architectural type. There are great avenues and lines of street transportation, but the promise is greater than the fulfilment. There is an old, unkempt Turkish district not yet destroyed; there are gypsies squatted in unsavory and unstable settlements on the outskirts of the town, and these exhibit their unspeakable squalor without shame in the thoroughfares. Sophia is a city of the future; but the future is not far distant, and the process of transformation goes on so swiftly—both as to the personalities of the people, their institutions and their material expression in dress and housing—that, like the folk of the other Balkan states, they tempt the visitor to feel that he is in the laboratory of history. Of other Bulgarian towns as much cannot be said; they remain strangely quiescent in the rudeness to which Turkish rule reduced them. The Bulgarian army is fine, however, and, where there are garrisons, improvement is noticeable. But in the main the life of the people is the life of the well-tilled fields and simple villages. Education of the common sort is only fair, that of the higher types is really em-

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bryonic as yet; the fine designations of the West are used for their institutions, but they do not connote even approximately the same things. The sum of the whole matter is that Bulgaria, though a child in its qualities, is a very fine child, full of promise if only it sweeps the cobwebs of its wild ideal, the Greater Bulgaria, from off its eyes.

This can unfortunately not be said of Servia proper, the Servia that, of all Turkish conquests, has enjoyed emancipation from Turkish rule for the longest period, after Hungary, of any Balkan state, and the only one which has an indigenous ruling dynasty. It is only nine years since a king, a queen, a queen's brother, two ministers of state and fifty other persons were brutally murdered in the palace of Belgrade; and the woman's corpse, flung from a window onto the grassy terrace bordering the main street, lay for hours and hours for the baser sort to gloat over, until the ambassador of a foreign power intervened to give it decent burial. Whatever indictments may be brought against the private and public lives of Alexander and Draga, last of the Obrenowitch line—and weighty ones would lie against them—the deed was one of shame, engendered in disgraceful conspiracy by those who lusted for power at any cost. The rival Karageorgevitch line came to power in the person of the reigning monarch, King Peter; and after this long interval, when at last masses are sometimes said over the unmarked graves of his predecessors, no one lifts up a voice to say that the latter state of the unhappy land is better than the former. Somehow time does not produce oblivion; and when, after this interval, arrangements were made for an official visit of the Servian king to Vienna, it proved a happy evasion of what high-minded people stigmatized as little less than a scandal, politics or no politics, that the Emperor Francis Joseph caught a heavy cold, which at his advanced age was a sufficient excuse for the postponement of the call.

After a hundred years Belgrade remains a commonplace, unthrifty town with a provincial Austrian, rather than Servian, impress. The heir to the throne is a dissipated youth of no character. The king's daughter, educated at a foreign court, is married to a Russian scion of royalty; but the rehabilitation of

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Servian royalty among the reigning houses of Europe halts sadly. Corruption in public life is a widespread disease, and where money bribery is minimized place bribery stalks unabashed. As long as a British ministry sees no shame in the proposition to confer a title in exchange for a vote in Parliament, it is unfair to besmirch even Servian public life on this account; yet at Belgrade the trade of politics is on a level unknown elsewhere, unless it be at Constantinople. The overthrow of one king and the setting-up of another was a matter of money, and it was the Russian ambassador in Belgrade who provided the needed funds. The whole conspiracy has been patiently traced to its sources and outlined in all its details: there is not a step for which documentary evidence cannot be produced. Public opinion refuses to fix the guilt of bloodshed in high places and on great names, where national policies are concerned, but the agents do suffer and have suffered the penalties of a scandalous, unclean, shocking series of crimes. Those who profited are likely to remain under the ban, whatever diplomacy demands in the face of accomplished facts. No wonder that of all the Balkan lands, poor Servia is the least advanced, that her training in school and army is as embryonic as her visions are preposterous. Being at the mercy of a single great state, with no outlet or inlet uncontrolled by others, her economic plight is sad; but it neither explains nor palliates her deplorable moral plight. Religion is, as yet, largely superstition; social organization of a modern sort barely exists; and her leaders stimulate national ambition with the exhibit of political toys and the emphasis of primitive manners as the cohesive force for a great empire! They are a peasant folk poisoned by the virus of a showy civilization for which they have no receptivity. Their agriculture is rude, their manufactures inchoate, their natural resources of lumber and mines in the hands of foreign exploiters. Nothing but the abandonment of false gods can restore the pristine virtues of which they boast. Alas, like the potato, the best of them is underground: so runs the Spanish quip.

This is the land which by reason of its name and its language aspires to leadership and control in the creation of the

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Greater Servia. The passion for this ideal among all Serbo-croats is a species of imperial insanity. The Servians of little Servia expound it in their newspapers, they set it forth in their schoolbooks, nourishing their young on wind; it is the stock in trade of the demagogue, the theme of the rhymer, the subject of baby talk and cradle song.

There is, however a rival aspirant, a tiny Servian kingdom, with a brief history but conspicuous merit, namely, Montenegro. Reference was made in another connection to its wild, forbidding scenery, to its rocks and morasses in one half and to its wilderness of forest jungle in the other, to its poverty and its primitive culture. Its annals are scanty enough. In the fourteenth century, the little district between Cattaro on the Adriatic and the high-lying lake of Scutari, some forty miles distant in the bosom of the Albanian Alps, was known, from the name of the stream which waters and drains it, as the principality of Zeta, and was a dependency of the great Servian empire, its few inhabitants being pure Servians then as they are today. When the great Servia was overrun by the Turks, the conquerors barely penetrated to these mountain fastnesses, and in this Chernagora or Black Mountain principality there was a semi-independent line of chieftains, at once bishops and secular princes, under whom the defence was defiantly successful against all efforts at subjugation.

In the fifteenth century a conspicuous warrior fixed on the land the then already current name, which seems destined to permanency on the lips of its people, Chernagora, Monte Negro, Black Mountains. This Stephen founded, in 1485, the cloister which is the nucleus of the little capital city Cetinje, formed an alliance with Venice and, in triumphant guerilla warfare, drove the Turks before his companies and scattered their forces wherever they appeared as invaders. His grandson was the notorious Scanderbeg, a pervert to Islam, who, for a period, ruled as Turkish viceroy; but heathen rule was intolerable to the Christian folk with its traditions of heroic victory over Moslem foes, and in 1516 the bishop (Vladika) Vavil headed a successful revolt. It was, however, as separate clans and not as a nation that the people repulsed their hated foes; and for a

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time there was a reversion to blood feuds, personal and tribal. Nothing but the renewed and powerful attack of the Turks could unite them; and the Moslem advance seemed irresistible until in the person of another bishop-prince (Danilo, 1697–1735) a barbaric bond of union was formed and every non-Christian in the land was on a preconcerted signal seized and killed. It was a rude retribution—the Montenegrin vespers of 1711. Thereupon this Danilo Petrowich, son of Peter, entered into relations of closest intimacy with another ruler of the iron hand, Tsar Peter the Great, relations which for historic and sentimental reasons have never been broken by the successors of either. With Turkey's embittered foe on the other side, the then still powerful commonwealth of Venice, he also formed an alliance, joined ranks with hers and conducted a victorious campaign against the Crescent. He then made the episcopate hereditary in this line, the family of Nyegosh, but entrusted the secular authority to a governor who was to be second in position. This worked so ill that for a time, over fifty years (1625–81), the governor was the superior, winning the respect and uniting the hearts of the warlike clans on the Black Mountains. But Peter I ended this insubordination, and, a hard-hitting prelate himself, led the Montenegrin forces against the Porte in the campaigns of 1788–1791, defeating the great Pasha Kara-Mahmoud at Krusa. In the fifteen long years of peace which ensued he proved as capable in administration as he had been in war; unified his people by tactful diplomacy and in 1798 promulgated a code of laws. But the affair of Montenegrin men is war; and wherever Russian armies fought there were the fierce mountaineers, generally under their vladika-woiwode or bishop-prince. Peter I and his soldiers won glory in 1808 against the French in Ragusa; in 1813–14, with the help of English men-of-war, he captured Cattaro from the same foe; but at the end of the Napoleonic wars he was forced by the treaty of Vienna to abandon his longed-for access to the sea and surrender it to Austria. His people so adored him that on his death he was canonized.

Peter II was a no less amazing personage; a poet, priest, warrior and administrator, enforcing the law, creating a legisla-

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ture, ordering the machinery of state and inaugurating a school system. He was likewise the greatest poet who ever has sung in the Servian tongue. His nephew, Danilo I, was his successor. While Peter II had abolished the office of governor, the new ruler reversed the action; he resigned the dignity of bishop and announced himself as a secular prince; the style he assumed, with the assent of Russia, was prince and lord of Montenegro and the Burda. This prince was a great statesman. In the nine years of his reign, 1851–1860, he crushed out the clan feuds, extirpated the vendetta, reformed the code and its administration, introduced the taxation of land and established universal military service. The day was passing swiftly, alike of chieftains and hero-worship, of hereditary war-power and of particularism. The value of Danilo's reforms was twice proven: once when in 1852 the Turks threatened invasion and were withheld by the protest of Austria, and again in 1858, when they were soundly beaten at Grahovo. On the first occasion it was the prince's gigantic strength of mind and body which set on foot a formidable army and led Austria to intervene; on the second, it was the prowess of an army actually made and trained by him that won the battle against Omar Pasha and a superior force. Such masterful men make embittered foes, and he was assassinated by one of his own subjects; but not before a boundary line between Montenegro and Turkey, satisfactory except in one small district, had been surveyed and established.

His nephew Nicholas was his successor. Born in 1841, educated in Trieste and Paris, he was called at the age of nineteen to a tremendous task: the Herzegovina had risen in revolt against Turkey, the Montenegrins were lending aid, and two famous Turkish generals, Omar and Derwish, were at the gates of Cetinje. The situation was too critical for rash adventure, and peace had to be made at Scutari, as the powers willed. But by this time it was evident that the good will of Montenegro was of the first importance to Turkey; and Sultan Abdul Aziz not merely settled the existing boundary trouble but gave Nicholas access to the sea by the cession of Novosella. There followed twelve years of peace and of internal organization; but when in 1876 Servia declared war against Turkey, the

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fighting spirit of the still wild mountaineers was too strong to be checked, and the Montenegrin forces took the field. Repulsed in their first encounter, they won two successive victories of the first importance at Vucido and on the Fundina, both of which fields were bitterly contested. Russia intervened to end the conflict for her own reasons, but Montenegro felt assured of additions to her territory as indemnity. This the great powers, in the conference of 1877, refused, and Montenegro took the field alone. Turkey sent her two most renowned generals, Suleiman and Ali Saib, at the head of powerful armies, to annihilate the little state. There were ten days of stubborn conflict before the Turks were forced back into Albania. At once Nicholas passed on, conquered the town and fortress of Nikshich (September 8), captured Spush, in January, 1877, and stormed the mediæval fortress of Antivari on the Adriatic. Such military triumphs could not be overlooked; and by the treaty of Berlin not only was the territory of Montenegro more than doubled, but her complete independence was formally recognized. Her present boundaries were fixed by an exchange with Turkey, welcome to both parties. The Porte regained a part of Albania, essential to the strength of the Turkish frontier; Nicholas secured another stretch of coast land, including the one time robber nest and fine harbor of Dulcigno. All nations have struggled with boundary questions due to ignorance of geography and imperfect surveying; one such remains unsettled between Turkey and Montenegro.

For thirty years there has been peace in those rude borders. The miniature capital of Cetinje has a certain number of good public edifices and three embassies lodged in stately buildings. But its broad streets are flanked with low, one-story village houses, small and primitive. The only conspicuous shops are those of the tailors, whose windows are a revel of gold galloon and gay colors. The splendor of Montenegrin costume is exhibited in the stately saunterings of the men on the public squares. With the consent of the powers, Nicholas has crowned himself a king. His consort is the daughter of an opulent Austrian merchant, and the modest state of his home does not shock the still primitive peasantry who are his subjects. He

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has improved every department of public life and service, especially in the creation of an active legislature, of an improved judiciary and of an efficient educational system. His children have married into powerful royal houses, and dynastic politics are still of the first importance east of the Leitha river and the Adriatic. The old friendship with Russia has been further strengthened, and the most conspicuous evidences of her bounty are found in his capital. The foreign language cultivated and spoken in Cetinje is Italian—a significant fact, as is the use by polite society of French in Bukarest, and for the most part of German in both Sophia and Belgrade. While in central Europe English is the foreign tongue most affected, it proves of little service to the traveller to the eastward, whether north or south, though most cultivated Russians can speak it if they will.

I have dwelt at some length on Montenegro as I did on Albania.[1] Until last year they stood in armed defiance: one the bulwark of Slavism on the south, the other Turkey's rock of defence to the northwest. To-day the two peoples are warm friends. Those parts of Albania once Turkish and mainly Mohammedan, assigned to Nicholas by the Treaty of Berlin, or taken in exchange, are content under Montenegrin rule; the wildest clansmen of the Albanian Alps were last year kindly entreated when refugees across the Montenegrin border. Strange and unforeseen rearrangement of relations! What is the cause? And is the drawing together a permanent one, a sign of the coming era in Turkish politics? In any case there, on an imaginary line across the great lake of Scutari, is certainly what is for a time to come the weather-corner of European politics. Is it astonishing that Montenegro aspires to leadership in the great Servian movement? or that the eyes of the best Servians turn to her for leadership, rather than to that of the slack, boisterous, ineffectual Servia?

The territory of Montenegro comprises about 3400 square miles, and its inhabitants number 270,000. The western part to the banks of the river Zeta—Chernagora, Black Mountains,

[1] POLITICAL SCIENCE QUARTERLY, vol. xxvi, pp. 680–682, 688, 689.

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proper—is the bleak "karst" or waterless rocky mountain land already described; the snow capped Lortshen is nearly 6000 feet high. The eastern or Burda district is mountainous too, but fertile and well watered; it contains the Dormitor, a peak 8000 feet in height; within it are superb primitive forests and much wild, luxurious vegetation. A third portion, southward and toward the sea, is semi-tropical and superbly fertile, awaiting only the canalization by Turkey of the Boyanna river, outlet of the lake of Scutari, to be one among the garden spots of the world, as will likewise be the left or Turkish bank, so admirable is the tillage of the Albanian population on both. The wine and tobacco of certain districts are renowned.

This tiny and still indigent people of Montenegro has worked some miracles. There is already built a system of excellent highways on which motor post coaches run, and more are surveyed; there are thirty post and twenty-four telegraph offices with nearly five hundred miles of telegraph line. In the capital are two high schools, one for boys and one for girls, and a normal school; and scattered throughout the country in convenient places are eighty primary schools. Two newspapers are printed in the national printing office in Cetinje, and a second printer is established in Nikshich. The army system makes every male a soldier from 16 to 62, and military service is compulsory during a portion of every year. The king has a body guard of one hundred professional soldiers. The constitutional system, perfected in 1905, works with such impulse as a sovereign, virtually absolute, gives to it; and that is considerable. The exports are to the value of about $400,000, and the imports a million. The visitor has a sense of bitter poverty which the people themselves do not feel. As was said of Greece, the estimate of the tourist depends on his point of view: amid the wild surrounding peoples Montenegro is in a state of advanced civilization, a model and a stimulus. But a Montenegrin country home! Four stone walls and a roof, thatch or slate, with no chimneys, the smoke oozing out through every crannny of the eaves, the unglazed windows and open doors. Within is a clay floor with smouldering embers in the middle, wide couches round about, the

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cattle in a lean-to at the end, with their hoard of manure cherished like the treasure it is. Some houses are better, some worse than this faithful description, but the mean is very low. The men in stately, though soiled, garb, give orders and march with warrior mien; the women powerfully accomplish the work of house, byre and field, with a minimum of assistance from their lords. The physique of the adults is fine and their vigor great, though they suffer sadly from rheumatism. Their religious instincts are primitive and their church feeling intolerant. Their minds dwell on tradition and song, on the mighty deeds of their ancestry, and their tempers are easily fired to warlike energy. They are temperate in food and for the most part in drink; hospitable, polite and obliging. The best judges declare that the stranger, male or female, is safe in body and estate in the remotest districts, though others are not of this opinion. To a rude peasantry like this, the meanest house in Cetinje with chimneys, glass windows, tight doors and plastered walls seems a palace in comparison with their own hovels. The self-complacency mirrored on the faces of the dwellers in the capital is charming.

Some time since a British statistician, G. B. Waldron, published a series of tables to exhibit the relative growths attained within the limits of the nineteenth century by Anglo-Saxons, Latins, Slavs and Teutons. Influence, as he uses the word, means square miles of the earth's surface and numbers of dwellers therein, whatever their race or color, now under the sway of the four white race stocks. The increase of Anglo-Saxon power is nearly five times; of Latin, nearly four; of Slav, exactly four; and of Teuton, two and a half. The elements in this calculation are, of course, somewhat uncertain, but it does seem to be significant that, contrary to general impression, Latin and Slav are not so far apart in their advance, while the Teuton is far behind, with the Anglo-Saxon an easy first. Considering the immense superiority of the Teuton, and how amazingly prolific he is in comparison with his western neighbors, the result in his case is surprising. But one thing emerges distinctly: that even Teutonic civilization, high and militant as it is, has a terrific struggle for life on its eastern frontier in the

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expansion of Slav power and numbers. The sovereign states of the Balkan peninsula so far enumerated are virtually Slavic, one and all; so too is the European portion of the one sovereign power still to be mentioned, Turkey itself—or (excluding Albania) what is known to the latest geographical parlance as Macedonia. Austro-Hungary has 28,000,000 Slavs within its borders—more than half its population; Prussia has probably 6,000,000 and Russia about 155,000,000 Slavs; Turkey in Europe, with 66,500 square miles, has a population under 6,000,000, and of these fully 4,000,000 are Slavs. If anything appears to be manifest, it is that eastern Europe, with a population overwhelmingly Slav, about 200,000,000, is to be totally and entirely Slav; that it is to be composed of a federation of Slav states, larger or smaller. The few Turks remaining must return to their earliest home or be annihilated. This is Panslavism, and the notion has a possibility so attractive to the peoples of that stock as to make this remoter ideal a real force in European politics. But closely examined it is a chimera, and this is best exhibited in the case of Macedonia.

The term Macedonia is here used in its narrower sense, excluding Albania. This leaves a territory of about 50,000 square miles, with a population of 3,500,000, of whom possibly 200,000 are real Turks and perhaps as many more European Moslems. What the rest are has already been indicated: they are overwhelmingly Slavs—South Slavs. But what kind of Slavs? Bulgarian, Servian or Greek? This knotty question has already been broached in another connection; possibly a little, but only a very little, more light can be thrown upon it.

From the times of earliest recorded history there has been in Macedonia the cry: Come over and help us. No other land in Europe has suffered so continuously from the desolation of battles, sieges, ravagings, burnings, forays. As has been remarked by one writer, it was a German Thirty Years' War prolonged to many, many centuries; the hand of every man against every other man, whether in state, province, village or family. Pelasgians, Greeks, Romans, Byzantines, Crusaders, Genoese, Venetians, Huns, Avars, Bulgarians, Servians, Wallachs, Albanians and Turks have overrun, devastated, settled, fled from

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and turned back to its borders. What would otherwise be a garden—such are its splendid resources in soil, minerals, rivers, forests and pastures—has been kept almost a desolation. It could support in peace many, many times its present population; but peace seems further off than ever. At the moment of this writing bandits are derailing railway trains, Bulgarian bands are stirring up strife, robbers are holding European captives to ransom, Albanian rangers are threatening the villagers and herdsmen, feeble Turkish authority is revelling, wherever it forms its camps, in harsh repression. What else is going on newsgatherers do not discover; but beyond a peradventure there is rapine and bloodshed to an extent which beggars description. The very foremost authority among Englishmen in regard to the Balkans, a resident of Sophia, openly charges a newspaper conspiracy to suppress horrid truths which are known. His explanation is that the Jews of Europe and America, having secured control of the most widely-read newspapers, desire that the atrocities perpetrated by Young Turkey should not be known, at least not yet; not before the Turkification plan has had a longer trial. Moslems against Christians, he asserts that the powerful Jewish influence has been historically and must be temperamentally with the former.

Beyond a question the Slavs of Macedonia are Bulgarians, Servians and Wallachs, but in most uncertain proportion. As far as Panslavic aspiration goes, it is blocked by the fact that five Balkan monarchies of Slavic character, besides Turkey, are each simply lusting for the possession of the other Slavic land. Could these Slavic monarchies federate? Not more probably than the petty Spanish states of Central America. What is in the womb of the far future is an academic question; for the purposes of practical politics Balkan federation may be eliminated from the problem. Besides, these South Slavs are separated by the whole orb in religion, strongest as yet in those parts of all the social bonds: some are Roman, some Greek and some Moslem. For the ruling Turk there is no distinction between Bulgar and Serb, Roman and Greek; all are, in his own elegant language, "hogs in a sty." Accordingly, his task under the new régime can be stated far more simply than under the

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old. The latter taxed and tolerated; it ruled pitilessly but made no effort at political conversion. Snarling curs when cowed are less dangerous than conspiring rebels with civic recognition. The new régime purposes to tax and tolerate, to rule and to give an unreconcilable peasantry an ostensible responsibility by further trituration in the mortar of administration with the pestle of compulsion. Said a well-known monarch of the North to his subjects: "Love me, hang you; I command you to love me." Says Constantinople to the Macedonians: "Be Turks, hang you; I command you to be Turks."

It was a wonderful idea for a constitutional sultan to make a progress in Macedonia, exhibiting to its population in his personal presence the reformation, or rather the revolution, of Turkish politics—and by what? By the *selamlik*, the defiant religious-political ceremony which emphasizes as often as performed the reactionary nature of Ottoman rule. It must be confessed these strange constitutionalists had some excuse: if the same Macedonian village could within the space of ten years be first Bulgarian and then Servian and then Greek, why not Turkish? The fact of such easy conversion in the Macedonian communities is attested by the best possible evidence. Why not? Life is sweet, and home and harvest and subsistence, however primitive and mean, are things to be desired. Bribery, too, is efficient in such communities. A French consul is reported as saying that with a few million francs he could make all Macedonia French. He would found schools and teach the children that all Macedonians were descendants of the French crusaders, who in the twelfth century had conquered and occupied Salonica. The nimble coin, simple bribery, would do the rest. What truths are spoken in bitter jest!

In a very broad and loose sense, the Treaty of Berlin in 1878 was the partition, or at least the completed partition, of Turkey in Europe among the peoples who dwelt in it, Macedonia alone excepted. Only one of the powers made a direct gain in territory: Great Britain took Cyprus and, thanks to the stupidity of her partners, has since taken Egypt. Had there been given to Macedonia a measure of the independence bestowed on the other Balkan states, or had her districts been divided among

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the new conterminous powers, the Turk would have departed from Europe altogether, as he has already in great measure. By nature a nomad, using his European house much as his forbears used an Asiatic tent, he has refused to remain and obey where once he commanded; and pure Turks, not Moslem Slavs, have migrated over the Bosphorus in vast numbers. But all the jealous European states represented at Berlin desired a weak and buffer power at Constantinople, and Macedonia pays the price. The solid profits pocketed by Great Britain have embittered the sister powers. Austria has annexed the provinces entrusted to her administration and is quit. She holds them beneficently on the whole, and they enjoy a measure of autonomy, while making great advances in social and economic lines. There is far less discontent than had been expected. But Macedonia, the beautiful martyr, and Albania, undaunted, untamed, the only bulwark against a further swell of the Slavic wave—what of them?

The work of Turkification began in Macedonian cities, Salonica, Monastir and Uskub. In them was garrisoned the flower of the Turkish army created by Abdul Hamid, and the Young Turks won the troops for their plans. Terrorizing could go no further than it had gone; soon there would be no Macedonia to rule or tax. Europe would intervene and Ottoman rule in Europe, already burning low, would be extinguished entirely. The revolution was accomplished and the will-of-the-wisp began to dance. But the Albanians were distrustful of marsh gas. Fed on promises for a time, they found that nothing happened; not a single substantial gain for their cherished hopes; the price of Albanian loyalty was not paid, there was not even earnest money. Tosks and Ghegs, Moslems and Christians, they grew restless and bitter. Finally, rebellion burst forth. The new Turkey knew no other methods of procedure than those of the old. The former conditions were bad, the latter worse. It was only by the united behests of Russia and Austria that the conflagration was kept in bounds, kept an internal Turkish question; and that was done by wholesale concessions which only emboldened the wild Albanians to demand more and more. It is the dread of extinction which forces Young Turkey to desist

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utterly from Turkifying Malissores and Mirdites. Wildest, rudest of their blood, Roman Catholics at that, these Albanians have rebelled; they have fought and won; the Albanian is to wear his arms, perform his military service at home, have his own schools conducted in his own language, be ruled by Albanian, not Turkish, officials; in short, secure his substantial autonomy as the price of refraining from further agitation or from making common cause with Montenegro, which in turn is assured of Servian support in case of trouble.

As for Macedonia, her latter state is worse than the former; and equally wholesale concession must be the order there as well. But Albania is a political person—composite of clans, stocks and chieftains, but yet united—and there is a party of the second part to close a contract. In Macedonia there is no such artificial personage, and it seems to be the intention of the bordering states that none should be set up. The way out is not yet in sight. The dilemma appears to be either perpetual outrage; or a European congress to make Turkish rule nominal, by setting up Christian governments like those in Crete and Syria or Egypt; or, finally, the outbreak of war—war of the Christian states against the one surviving Moslem power, and then possibly war among the Balkan states themselves over the division of the spoils, since spoils for some one there must be. The hatred and distrust—not suspicion, but utter conviction of bad faith—felt for the Turkish government and the men in power by their Christian subjects render regeneration absolutely impossible under Turkish rule.

The pleasant land of Macedonia can be seen only from the railway, except by the adventurous. Daring Europeans are waylaid and held for ransom by banditti almost within the suburbs of the cities; instances have occurred very recently near Salonica and Uskub. The American public has nearly forgotten the capture of Miss Stone, the missionary, though it was only some six years ago that it took place; but the case of Professor Richter is still echoing in the newspapers. Lives of the natives have been ruthlessly taken by the ruffians; those of captured tourists are a valuable source of funds. This means of securing money would be indefinitely extended were

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travelers to penetrate further, even though their lives should be spared. In Albania it is doubtful whether for some time to come the life of a tourist would be safe for any reason in the hands of the fierce, untamed rangers. The railway line from Constantinople to Salonica is about six hundred miles in length, that from Salonica to Uskub about four hundred. It is not long since the principal occupation of the army was the guarding of these railways and the protecting of roadway, bridges, tunnels and trains; passengers saw from their windows more soldiers than civilians. While there was hope for the fulfilment of the lavish promises made by the Young Turks, a relaxation of vigilance was possible; but now that hope has vanished the operations of the bands are intermittent but frequent, and outrages on the lines are numerous. There is every prospect that without military protection the railways would soon again be unsafe.

The general aspect of the country between stations is probably that of the remoter parts also: wilderness and thicket, with here and there sparse groups of tired peasants, cultivating enough land for subsistence, but with the discouraged air of those who sow where they may not reap. Discouragement is a word which fails to express the Macedonian mind: the people live in blank despair. It is doubtful whether they still have energy enough even to hope; they certainly have not enough for any efficient action. It is not long since the writer had an opportunity to look at refugees from the villages of both northern and southern Macedonia: some in Sophia, orphan children for the most part, whose parents had been foully murdered either by Turkish soldiery or by the abandoned, infuriated *komitagis*, as the bandit groups of various nationalities are styled; others in Athens, families composed of husbands, wives and children. The aspect of the poor souls was heart-rending; lack-lustre eyes, slack limbs, dragging movements, general indifference; utter worthlessness would be the first verdict. But it was amazing how quickly they responded to kindness, regaining their powers as rest and nourishment revived body and soul. But their physical recuperation is simpler and easier than their moral regeneration. Generations must probably elapse before

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manhood is revived, intelligence reawakened and some initiative aroused.

The state of Bosnia and the Herzegovina was never as low as that of Macedonia, yet even in those provinces the evil qualities engendered in the Christian population by cruelty and tyranny are far fom being eradicated. Almost universally the well-informed in those provinces express much hopelessness as to the improvement of the present conditions. The native Christians are charged with guile, effrontery, deceit and idleness. As a dweller in the country said in conversation: They are as idle as the dormouse, as bold as the bedbug and as deceitful as three Galician Jews. These creatures, he continued, could only be managed by the Turks, who understood them and trusted them not at all, enforcing a day's work for a day's pay, compelling every outward sign of deference and punishing delinquencies without mercy. Making all allowance for the exasperation of an employer—indeed the language quoted was evoked by a cringing, servile effort to collect a pittance for services never rendered—discounting all the exasperation produced by race hatred, there is yet certainly a large deposit of truth at the bottom. No wonder the tricky laborers are what they are described as being; probably the wretched Macedonians may be worse. Yet it makes little difference who perpetrated the foul wrong which degraded so many of God's noblest creatures; the present problem is urgent and difficult. Alas, that the revolution at Constantinople has done so little to improve anything; that events in Albania have probably aggravated the Macedonian situation to the limit; and that the policies of the great powers seem to block any hope of progress. The little Balkan states can lend no aid, as long as the deadlock of their race and religious and national antipathies continues. There seems no light, except as continued decadence must ultimately produce an intolerable chaos, a darkness so visible that some spirit must move on the face of the deep. From the humanitarian, as well as from the social and political point of view, the question of Turkey in Europe remains the most important of our time.

WILLIAM MILLIGAN SLOANE.

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REVIEWS

Diplomatic Negotiations of American Naval Officers, 1778–1883. By CHARLES OSCAR PAULLIN. Baltimore, The John Hopkins Press, 1912.—380 pp.

This volume contains the Albert Shaw Lectures on Diplomatic History for 1911. They relate, for the most part, to transactions with various powers preceding the establishment of permanent diplomatic relations with them, embracing incidents of greater or less importance in the intercourse of the United States with France, Denmark, the Barbary Powers, Turkey, China, Japan, Korea, Hawaii and Samoa. Sometimes the diplomatic element is of minor dimensions, as in the case of France and Denmark, while in the case of Japan and Korea the diplomatic acts involved are of the first order. Nevertheless, the author conceives that the lectures constitute a well-defined whole, and that, besides, "the traits of character that distinguish the naval officer, simplicity, candor and directness, affect his negotiations and give them a sort of unity." To this extent one feels no difficulty in going with the author. Nor can there be any doubt that a negotiator who has at hand and under his command a man-of-war or a fleet is enabled, especially in the more or less primitive situations often presented in these pages, to act with a certain simplicity and directness which a diplomatist obliged to rely on the blandishments of speech and the cogency of written arguments could hardly be expected to exemplify. It was not without reason that a diplomatic agent, residing at a certain capital, when he was ordered to proceed to an adjacent country, then undergoing a revolution, and to present certain demands, cabled to his government that he would feel much more "comfortable" if it would send him on a gunboat. The author's choice of words is, however, hardly to be approved when he declares that the "sailor-diplomat is preëminently a 'shirt-sleeve' diplomatist." If the reviewer understands the meaning of the term "shirt-sleeve diplomacy," it signifies a want of conformity with correct usage and a lack of conventional manners. Probably the author did not intend to embrace this implication in his employment of the term; but it is in fact popularly received and acclaimed in this sense, in which it unfortunately contributes to a more or less prevalent but erroneous impression that

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inattention to polite forms is essential to efficiency; and in this sense it is, as the author no doubt would be among the first to affirm, altogether inapplicable to the gallant gentlemen—the Morrises, Dales, Decaturs, Rodgerses, Biddles, Chaunceys and Perrys—whose deeds he recounts.

The author's work is carefully done, with ample citation of authorities. While the volume treats of transactions the story of which has been fully told before, the grouping is interesting and instructive.

J. B. MOORE.

The Republican Tradition in Europe. By H. A. L. FISHER. New York, G. P. Putnam's Sons, 1911.—xii, 363 pp.

It is strange that American scholars, who have carried their historical investigations into every field, have been indifferent to the origin and growth of the republican idea, and that until the present time we have had in the English language no serious treatise on that engaging theme. There is, indeed, something of irony in the fact that it has been left to a subject of the British crown to trace the course of the republican tradition in European thought and politics; but it is some compensation to know that Mr. Fisher was induced to do this work by an invitation to deliver a course of lectures at the Lowell Institute in Boston. His volume is, in fact, a reproduction of his Lowell lectures for 1910, substantially without alteration or additions; and, while they wear the outward aspect of popular discourse and carry one along without realizing that there is anything *systematisch dargestellt* about them, second thought shows that they represent the ripe fruit of the author's accurate scholarship and illuminating meditations. Mr. Fisher does not open with Greece and Rome; but, after an introductory chapter on mediæval thought and ancient tradition and a few pages on Venice and Florence and the Protestant spirit, he takes up his main theme with the rise of the first French Republic. Naturally, France has the lion's share, for by example and precept she led all the rest of modern Europe. Nevertheless, Mr. Fisher does not neglect the Germans, the Italians or the Spaniards; wherever the republican spirit revealed itself, in revolutionary activities or in literature, he takes note of it. Condorcet, Godwin, Coleridge, Fourier, Mazzini, Garibaldi, Marx, Gambetta, Castelar and all the rest have found their places in our author's scheme of things; but it is not as detached intelligences that he treats them, for he carries along a thread of narrative political history which holds each in his proper setting. Every important crisis, in which the republican idealists placed their hopes vainly, is so described

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as to explain why "practical" men were led to take their stand against experimental politics. In treating of the first French revolution, the revolutions of 1830 and 1848, the commotions in Spain *etc.*, Mr. Fisher shows how the real struggle was between contending social classes, not between the nations in revolt and their sovereigns. At the end of his volume, the author reviews the present status of the republican idea, concluding that "there can be little question that since 1870 the cause of republicanism has made no substantial progress in Europe." His reasons for the decline in enthusiasm for abstract republicanism are simple and convincing: monarchs have become personally more agreeable; there is a growing recognition that the precise form of the executive is no scientific measure of political and civil liberty; the dissatisfaction of the working classes with the economic structure of society "has taken the place of simple and direct protest against the costliness of crowns and the profligacy of courts"; and growing imperialism regards monarchy as a symbol of unity and strength. In short, the dominant economic classes of our time look upon monarchy as a conservative institution; and the opposing radical groups are more interested in winning political and economic power than in lopping off a few more tinsel ornaments. Moreover, there may be kings in social democracies; for any party that wins must perforce become conservative of its own rights and prerogatives.

C. A. BEARD.

Eight Centuries of Portuguese Monarchy: A Political Study. By V. DE BRAGANÇA CUNHA. New York, James Pott and Company, 1911.—265 pp.

Treatises in English on Portuguese history are so rare that especial interest attaches to a work the title of which implies a promise to explain the recent conversion of the Portuguese kingdom into a republic in the light of conditions dating back to the time of the original separation from the rest of the Hispanic peninsula. In his preface, however, the author calls the book a "sketch of the Portuguese nation," and declares that he has tried "to bring out the broad lines of the life of the people, and to indicate, as far as possible, the influences which have moulded their politics." Incidentally he confesses that his undertaking "from its very magnitude" may have surpassed his abilities. It certainly is a task of some magnitude to compress a long story, replete with much that is interesting, into fewer than three hundred pages of large print.

Less than half of the book is devoted to the period before 1808,

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and properly so if the implied promise is to be fulfilled. The tone is popular throughout. Indeed, the titles given to most of the chapters are quite novelistic. Though references to authorities are few, ten pages of bibliography at the close of the volume offer partial atonement. Here, however, the titles are arranged alphabetically, with no comment as to the value of the respective entries. Nor is there any index. Some of the spellings of proper names are rather odd, but not so odd as the illustrations supplied by Mr. Tom Titt. They are grotesquely hideous, in fact, although the author thinks that they "do great credit to the artist."

Careful examination of the volume shows that the contents deal almost exclusively with the Portuguese monarchy and only slightly with the Portuguese nation. Much attention is devoted, fittingly enough, to Camoens, whose magnificent epic had more to do with the preservation and strengthening of Portuguese nationality than any other single factor; but the influence which he exerted is not brought out in a convincing manner. A deal of criticism, also, is vented upon Pombal as a sort of general evil-doer, in contradistinction to the view commonly held of that statesman. Nevertheless, aside from a few digressions on the cultivation of literature, the book affords no adequate notion whatever of the social and economic institutions, of the thought and special genius of the Portuguese people, which would help to differentiate them from their near neighbors, the Spaniards, and which would reveal just how their politics had been moulded by the circumstances of their separate life.

The second half of the work, on the contrary, gives a clear and instructive account of the political difficulties of the nineteenth and early twentieth centuries, which produced the downfall of the monarchy. These are focused in the international helplessness of Portugal as a mere satellite of England, in the instability of nondescript political parties, in the prevalence of dictatorships, real or disguised, and in the porcine fatuity of the late king Carlos—a fatuity that attenuates in some measure the criminality of his assassination. Indeed, with but few exceptions, the line of Portuguese kings seems to have been one to which the nation owes scant gratitude, and royalty might have been displaced long since had it not been for the vigor with which it was upheld by the ecclesiastics and by a rather sycophantic nobility. What the Portuguese monarchy needed in its latest hours was a man and a body of efficient advisers; what it had was a boy and a collection of selfish incompetents.

W. R. SHEPHERD.

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The Life and Times of Cavour. By WILLIAM ROSCOE THAYER. Boston and New York, Houghton Mifflin Company, 1911.—Two volumes: xvi, 604, viii, 562 pp., with maps.

To most Americans Cavour is but a name. Not only has every one heard of Garibaldi, but the main facts of his career are generally known. Mazzini also occupies a definite place in many minds, because of his connection with the great democratic movement of the last century and his idealistic championship of republican institutions. Cavour was an idealist in the sense that, although reared under a despotic form of government, and a member of the class from which such a government naturally would expect support, he proclaimed and supported the principle of liberty. But, as a statesman, he was intensely practical and distrusted breaches with historical continuity. His philosophy was summed up in a sentence in a letter written before he became a figure in politics, in which he declared the conviction that order was necessary for the development of a country, and that, of all the guarantees of order, a legitimate authority having its roots in the past was the best. Because of this practical conservatism, although he was a tenacious exponent of liberal principles, he was distrusted and disliked by men of radical views, who could conceive of liberal institutions only as founded on the ruins of the existing order; but, by reason of the same clear-sighted practical statesmanship, he became the master-builder of Italian unity. His task was complicated and extremely difficult. It bristled with questions of finance, of political and social order, of the relations of church and state and of foreign policy. There seemed to be but one man who could grapple with all these questions at once, and that was Cavour. In narrating the story of his life, Mr. Thayer gives a full exposition of the history of the times in which he lived and wrought. The author's work has been done with remarkable fidelity and thoroughness. Documentary sources have been fully explored and geographical details have been personally verified. The result is a credit to American scholarship, as well as a narrative of fascinating interest. Now and then we almost lose sight of the central figure, but this is because of the fullness with which the story of contemporaneous events is told, and not because the author is lacking in enthusiasm for his hero. Nothing is wanting on this score. Indeed, if the author's work be open to adverse criticism on any point, it is upon the ground that he is disposed to concede perhaps too little to those who differed with Cavour. It detracts nothing from Cavour's greatness to admit that there is sometimes much to be said in justification or in extenuation of the course of those who failed

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to agree with him. That this is so may be considered as a proof of his superior wisdom and sagacity, in cases where his position was vindicated by results. As to the peace of Villafranca, Cavour afterwards frankly admitted that the course taken by Victor Emanuel was fortunate. It may also be observed that Mr. Thayer is sometimes disposed to view the transactions which he describes in a manner more abstract than that which characterizes Cavour's conception of them. In the same spirit he now and then suggests the existence of analogies the foundation of which is not altogether clear. He remarks, for instance, that

> while Camillo Cavour, at odds with his family, his caste, his country's misrule, and the reaction which prevailed throughout Europe, was manfully coming to terms with himself in the solitude of the Alps, Abraham Lincoln, a youth a year and a half his elder, was splitting rails on a pioneer clearing in Indiana.... Before Cavour and before Abraham Lincoln the future in 1830 seemed to be barred by an adamantine wall [page 18].

There were no doubt many other persons before whom in 1830 the future seemed to be so barred, but on any other ground the analogy must be regarded as strained. Had Lincoln become the champion of slavery, there would have been matter for astonishment; as the opponent of slavery, there is nothing in his course to surprise us. Cavour, on the other hand, went counter to personal traditions and circumstances. It would not be easy to recall two men who less resemble each other in their traits and habits. Their lives never crossed, nor had the career of the one the slighest association with or influence upon the career of the other. The attempt to draw a parallel between them produces a sense of unreality.

J. B. M.

The Religious Experience of the Roman People from the Earliest Times to the Age of Augustus. By W. WARDE FOWLER. New York, The Macmillan Company, 1911.—xviii, 504 pp.

To say that this book is worthy of its author would be sufficient commendation; but it is more. It adds to the achievements of a long life, devoted to genuine humanism in the widest sense, a work which at once sums up the mature results of unrivaled classical scholarship and recasts them in the mould of recent anthropological categories. It is the sign of a new age when men like Gilbert Murray, Farnell and Fowler turn so definitely to primitive life for the explanation of the cults, myths and usages whose meaning had remained dark for the grammarian, even when expressed in the clearest phrase in the classics.

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The gain is mutual. Not the least interesting sections in this book are those in which the hasty conclusions of Frazer are challenged and overthrown. But the book as a whole is a tribute to the anthropologist. The opening portions are largely due to the suggestive work of R. R. Marrett on pre-animistic religion; the structure and method owe most to such German scholars as Wissowa, for whom Fowler expresses most generous admiration; and the notes exhibit familiarity as well with Hubert and Mauss.

The opening chapters, on "The Threshold of Religion," "Survivals," "Magic," "The Religion of the Family," "The Calendar of Numa," "The Divine Objects of Worship" *etc.*, trace the remnants of the earliest age, by way of cults, folk-lore and antiquities, through the structure of the family into that of the state, from pre-animism to theology and the ritual of the *jus divinum*. This part of the book is novel, being much fuller on many points than Wissowa, though based on the same method of ignoring myth and interpreting cult in the light of comparative religion. It is disappointing, however, to find that Dr. Fowler, while manifestly dissatisfied with Frazer's distinction between magic and religion, accepts it in the main as the easiest way through a complicated situation. If anywhere a correct conception of magic is needed it is in dealing with a religion so formal and ritualistic as that of Rome. Had the *mana* theory been clear in the author's mind we might have had some further light on the significance of the *sacra* and on the mechanism for handling them. One feels that a little carelessness—or weariness—in dealing with the hypothetical background has left this section of the work but partly done.

In the latter part of the volume we have that widening of the religious experience which came above all through contact with the Orient. This is a field in which many are now at work. But while scholars like Franz Cumont write from the standpoint of the new religions themselves, going to their homes in Persia and Egypt to try to understand them, and others concentrate on various cults, Fowler's interest is in the effect upon the Romans. He is not primarily interested in finding out what these *religiones peregrinae* really were, but what the Romans made out of them. To be sure he has the wider view as well; but he turns back from it wistfully to the world of Virgil.

It is a most human book, large-minded and mellow with thought and sympathetic reflection. But, at the same time, the apparatus of notes appended to each chapter shows that the years have not lessened the scholarly energy of the author. They furnish a valuable guide to all the recent literature on the subject.

J. T. SHOTWELL.

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Traité de droit constitutionnel. By LÉON DUGUIT. Paris, Fontemoing et Cie, 1911.—Two volumes: 570, 558 pp.

These volumes are a revision and an enlargement of the author's *Manuel de droit constitutionnel*, but they preserve essentially the form and method of treatment of the shorter work. The bulk of the first volume is taken up with general and theoretical questions: the nature of law, sovereignty, the functions of the state, principles of public agency and the like; but there is more of reality and concreteness in it than is found in the average treatise of the kind—in Jellinek's *Allgemeine Staatslehre*, for example. The author usually has some application in mind, and he does not discuss a proposition merely because, by force of habit, he thinks it ought to be in a work on "political science." It would seem, however, that nothing of importance has escaped him. When "direct government" is under consideration, he refers to European experience and literature on the subject, and he notes, in passing, articles that have appeared in this Quarterly. For the initiative and referendum M. Duguit has little liking: he does not think the system good in itself, and he believes that in France it would lead to bitter party struggles and set the politicians at work (I, 334). Women's suffrage, however, he approves, and he believes that it will come: "Ainsi la cause de l'incapacité politique des femmes est temporaire et contingente, et nous considérons comme générale, profonde et irrésistible l'évolution des sociétés modernes vers l'accession des femmes aux fonctions politiques" (I, 321). Judicial control over statutes does not impress M. Duguit as desirable; such a practice, he says, presupposes a high and impartial tribunal, without political bias, considering statutes from the point of view of law alone; and he asks whether such a happy institution as a group of law-speaking demigods can be found anywhere. If they are elected by popular vote, he adds, they will partake of the political bias of the people, and if chosen by coöptation they will become an aristocratic body incompatible with democracy (I, 155). Consequently France will not try the experiment.

Although M. Duguit rejects direct government and judicial control —a combination of rejections that will seem strange to an American Progressive—he is profoundly dissatisfied with representative government as it exists in France to-day. He accepts M. Benoist's theory of class or group representation, and he would have the Chamber of Deputies represent the individuals of the nation, and the Senate represent the social and communal groups (I, 371). Furthermore, he

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believes in a system of proportional representation for the lower house (I, 377 *et seq.*). At all events he would endeavor to escape the dangers of unsound and fortuitous legislation, proceeding from irresponsible combinations of parliamentary groups.

On each question of recent French politics the student will find M. Duguit's *précis*, well documented as it is, an admirable statement of the leading facts and a helpful guide to the literature. For examples, take the few pages on the separation of church and state (II, 109–138) or on the unions and strikes of government employees (I, 512–536) or, again, on the change in the method of electing the great committees of the Chamber (II, 344, 345). Without doubt this is the best brief description of the government of France to be found in any language, and the generous citation of authorities on nearly every page will make it doubly welcome to those who are sorely troubled in trying to watch "political science" in the making.

C. A. B.

Municipal Origins. An Account of English Private Bill Legislation Relating to Local Government, 1740–1835, with a chapter on Private Bill Procedure. By FREDERICK H. SPENCER. With a Preface by Sir EDWARD CLARK. London, Constable and Company, 1911.—xi, 330 pp.

Mr. Spencer is to be congratulated on the success with which he has pushed into a field in which comparatively little work has been done. He has made an excellent contribution to the history of municipal government in England in the eighteenth and earlier part of the nineteenth century. Incidentally, moreover, he has thrown much new light on the development of a most important part of parliamentary procedure, on some aspects of the poor law in the three-quarters of a century that preceded the comprehensive reform of 1834, and also on political tendencies, so far as these affected municipal as distinct from national life, in the period between 1740 and 1835.

Great changes were making in England in these ninety-five years. The movement of population from the rural parishes into the towns was going on at an accelerating pace, especially after the beginning of the industrial era. Partly as a result of these great changes, the Elizabethan poor law, up to this time administered by the justices of the peace and the overseers, was breaking down. In the towns and cities the old municipal corporations, dating back to the days of royal charters and at this time mostly concerned with the sordid aspects of parliamentary elections, had neither the power nor the will to meet the

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new conditions due to the urbanization of England. New statutory powers were necessary to supplement or vary the old poor law. In the towns and cities, owing to the ineptitude and distrust of the old municipal corporations—at their worst between 1760 and 1835—as well as to the lack of power of these corporations, new and trustworthy local authorities were needed, with power to levy local taxes to meet the cost of various public improvements without which decent and orderly conditions were impossible.

Power to vary the poor law and to authorize improvements in municipal conditions could be obtained only from Parliament and by means of acts which are still classed at Westminster as private bills. Hence the enormous number of acts of this character passed by Parliament in what may be described as the formative period of modern English municipal development; hence also the number and variety of local authorities—each, as a rule, with a constitution of its own—that were created by Parliament. There had been much private-bill legislation before 1700. In the main, however, it had reference to personal rather than to local concerns. Local bills were passed as early as 1357; and one of the most memorable struggles between the House of Commons and the House of Lords over money bills occurred in the reign of Charles II over the paving of the streets of Westminster. But local as distinct from private and personal legislation (such as name bills, naturalization bills and divorce bills) was casual until the reign of William III. By 1710, however, local acts became a regular and permanent feature of the statute book; by 1760 they outnumbered general acts; and by the end of the eighteenth century the preponderance of local legislation was overwhelming. It included bills varying the poor law; bills creating new and special municipal authorities, river and harbor boards and turnpike trusts; and bills for enclosing commons.

In this legislation better than in any other existing and accessible data can be traced some aspects of the urbanization of England that was continuous from the Revolution of 1688 to the beginning of the reign of Queen Victoria. How Parliament slowly adapted itself to this mass of new work, what share each House had in it, and how the standing orders which now govern private-bill legislation were developed—all this is told with much interesting detail by Mr. Spencer in a chapter which is the most valuable addition yet made to Clifford's great work on *Private Bill Legislation*. With equal success Mr. Spencer analyzes these numerous local acts; he shows the types of local authorities that were created, and makes it clear why, in meeting

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the new social conditions, Parliament entrusted so little to the old municipal corporations.

Mr. Spencer's book appears as the twenty-second number of "Studies in Economics and Political Science," a series of monographs by writers connected with the London School of Economics and Political Science, edited by W. Pember Reeves.

EDWARD PORRITT.

HARTFORD, CONNECTICUT.

Commission Government in American Cities. By ERNEST S. BRADFORD. New York, The Macmillan Company, 1911.—xiv, 359 pp.

Within little more than ten years the commission form of government has been adopted by two hundred American cities; and in view of this remarkable development it is not surprising that another book should be written on the subject. Its appearance is justified by the fact that no other treatment is so exhaustive and systematic or based on such careful investigation. Dr. Bradford has set forth the history of the new system, described its essential features as well as the numerous divergences in type, and attempted to discover how far experience has justified it. He has analyzed all the commission charters. By correspondence with officials and citizens or by visits to the cities he has supplemented to some extent the more available materials.

In the first part of the book he describes the spread of commission government from the time of the Galveston flood to August, 1911. The second part is occupied mainly with an analysis and comparison of the various charters and laws; and in the appendix appear the text of the Iowa law (the "Des Moines plan"), the preferential voting arrangements of the Grand Junction charter and a useful bibliography. There are many comparative tables, which show the provisions of all the charters respecting such matters as the salaries of commissioners, their terms, the number elected at one time, non-partisan primaries, the percentages required to set in motion the initiative and referendum *etc.* This part of the work has been admirably done.

But our author, very properly, has not limited himself to presenting and classifying structural details. In the preface he asks, as many others are asking, whether "this is a fad in municipal politics which will gradually disappear," or whether it is "based on sound principles which insure its success"; and he promises to find an answer. There is room for suspicion that for him no such question really existed. In chapters xxv and xxvi he states objections to the new system most perfunctorily, confining himself to those which have been urged by others

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and showing an unbecoming disposition to rush to the defence as soon as the objections have been mentioned. In chapter xi only two pages are devoted to discussing "the excellent financial results which have been secured." In this case there is nothing to show that Dr. Bradford conducted a really thorough examination of the annual reports, or that he was equipped with the necessary knowledge of accounting. He found nothing wrong with the finances of Des Moines; but from a recent investigation it appears that there is something very wrong. Martin A. Gemünder, who may speak with the assurance of an expert, says that "the new government, like the old, has systematically evaded its moral obligations and is playing fast and loose with the city's credit." For one thing, the levy for interest and sinking-fund purposes during 1910 should have been 5.9 mills instead of 2.6.

The same vagueness marks the brief review of other phases of city administration. Those who look for constructive criticism will be disappointed; they will find themselves in an atmosphere of special pleading. It will hardly be possible to say that commission government has justified itself until a far more searching scrutiny has been made and one based on a longer period of experiment. Yet while Dr. Bradford's judgment must appear superficial on this matter, in other respects his work deserves high commendation.

E. M. SAIT.

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Cours élémentaire de science des finances et de legislation financière française. Par GASTON JÈZE. Cinquième édition. Paris, Giard et Brière, 1912.—xxii, 1133 pp.

This is a new edition of Professor Jèze's invaluable treatise on the science of finance, the fourth edition of which appeared scarcely more than two years ago. The new revision not only brings the work up to date but enlarges and recasts it in many particulars. Indeed, very few pages, the author tells us, remain intact, though the method of treatment followed in the earlier editions is adhered to without change. Some idea of the extent of the successive revisions may be gained from the fact that the work has grown from a volume of about five hundred pages to one of more than eleven hundred. One may, therefore, say that the present edition is very largely a new treatise.

In general, the work deals with the budget, the service of the treasury, public accounting, public expenses, public credit, public debts and revenues, national and local. In his discussion of the budget the author pursues the method, though of course with less detail, followed in his

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admirable treatise on the budget, published in 1910; and many of the details concerning the other topics treated may be found in Boucard and Jèze's *Eléments de science des finances* (two volumes, second edition, 1904) and in the numerous articles published by Professor Jèze in the *Revue de science et législation financières*, of which he is the managing editor. Following the comparative method of treatment, he discusses the theory, legislation and practice of the more important countries, notably France, England, Italy, the German Empire and the United States, showing at all points a familiarity with the literature and practice of each country which compels the admiration of the student. His treatment of the budget is especially thorough, logical and comprehensive, and in this field one may safely say that Professor Jèze occupies a place of undoubted preëminence. He shows that it was in England that true budgetary principles originated, while in France the budget is an institution entirely modern. In both countries, however, the course of development has been quite similar. In France the more important rules governing the budgetary régime date from the Restoration and were largely the work of two eminent ministers of finance, Baron Louis and M. de Villèle. In practice, he says, there are four great budgetary systems: (1) that of England and the United States; (2) that of France and Belgium, and perhaps Austria; (3) that of Italy; and (4) that of Prussia and the German Empire. The fundamental distinctions between these systems are treated with more or less detail. In connection with the treatment of French budgetary methods, the author calls attention to the evil of prolonged discussion by the Parliament, which for many years has resulted in long delays in passing the budget—in 1911 the budget was not adopted until more than seven months after the beginning of the fiscal year—and which necessitates practically every year a resort to the expedient of *douzièmes provisoires*. The various remedies proposed for the removal of this increasing abuse and the evils to which it necessarily leads are considered in turn. The budget of 1912, it may be remarked, was passed by the Chamber of Deputies before the beginning of the budgetary year, but no one knows when it will be adopted by the Senate nor how much discussion will be provoked in the Chamber of Deputies on the amendments introduced by the Senate. In any case, it is not likely to be definitively adopted before April or May, though the fiscal year begins January 1. The remedy which is regarded with most favor is the change of the beginning of the fiscal year to April 1 or July 1, but this proposal has encountered objections. Another practice which has become an abuse in France is that of *adjonctions*, that is, the practice of incorporating in

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the annual law of finances important provisions which have no financial bearing whatever. Among the "riders" thus added are provisions relating to the organization of the Council of State, the administration of the state railways, the recruitment of the magistrature, the advancement of functionaries and the jurisdiction of the courts. The evils of this practice, the remedy proposed and the tentative efforts that have been made to suppress the practice are all fully discussed by the author. Still another abuse in France, against which Professor Jèze inveighs, is the increasing practice of the deputies of offering amendments to the budget as prepared by the government and the budgetary commission. These amendments usually propose either the augmentation of expenses (generally for increasing the salaries of functionaries or for the construction of public works in their arrondissements) or the reduction of taxes. In either case the effect is to destroy the budgetary equilibrium. A new rule was adopted by the Chamber of Deputies in 1900 to curtail the abuse, but, as Professor Jèze shows, it has proved to be ineffective, ot at least inefficient. Finally, a fourth evil of French budgetary practice is that of *crédits additionnels*, that is, the practice of opening additional credits by decree of the government after the budget has been adopted and its "exercise" begun—a power which the government is authorized by law to exercise under certain conditions fully explained by the author. These "credits" rarely fall below 100,000,000 francs a year and sometimes exceed 300,000,000 francs. (See the table in Jèze, *Le Budget*, page 437.) As a result of this practice the control of the Parliament over the finances is reduced and the budgetary equilibrium destroyed.

A chapter of special interest to students of French constitutional law is that which treats of the powers of the Senate in regard to financial measures. The precedents and practice from the beginning of the Third Republic are reviewed, and the numerous controversies between the two chambers fully discussed. The conclusion seems to be that the Senate may rightfully insert in the budget an appropriation eliminated by the lower chamber only when the appropriation has been proposed by the government; but the right of the Chamber of Deputies to have the "last word" when there is a conflict has never been admitted by the Senate, and the question remains unsolved. The danger is that in case of conflict the adoption of the budget may be greatly retarded or even defeated entirely.

All the various elements of public expense and income in the several countries considered are discussed with a fullness and a familiarity truly admirable. The results of the most recent legislation and practice are

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analyzed and criticized—including also new projects of reform. Under the latter head, for example, may be mentioned the analysis of the French project for a tax on incomes, which passed the Chamber of Deputies in 1909 but has not yet been acted on by the Senate, although there is a widespread demand in France for such a tax provided it be kept free of inquisitorial features. Professor Jèze refrains from expressing an opinion on its merits. Regarding the tax on doors and windows, long in vogue in France, he exhibits no such self-restraint. This tax is, as he remarks, clearly a tax on air and light; it is wrong in principle, and public opinion is unanimously hostile to it. The law of finances of 1892 abolished it, but the application of this law has been annually postponed. The author criticizes also the recent law which confers on *bouilleurs de cru* an exemption from the tax on the consumption of alcohol, the product of their own manufacture, while other persons are subject to the tax. Finally, he voices the public opinion of France in pronouncing the tax on sugar and salt excessive and unproportional.

The limits of this review do not permit a more extended analysis of this admirable work. Like Professor Jèze's other treatises on finance, it is comprehensive, scholarly and thorough in treatment. The author has recently set before himself the task of writing a series of twelve volumes on the science of finance, the first of which, dealing with the budget in general, appeared two years ago, and the second, dealing with budgetary procedure and methods is now in press. The undertaking is, as he remarks, *un œuvre de longue haleine;* but if he lives long enough and maintains his present pace of production the task will undoubtedly be carried to completion, in which case there will be little left for others to say on the subject.

J. W. GARNER.

UNIVERSITY OF ILLINOIS.

Principles of Economics. By F. W. TAUSSIG. New York, The Macmillan Company, 1911. Two volumes: liv, 1121 pp.

American economists have thus far made their main contributions to the literature of economics along two lines: that of text-book writing, and that of essays on particular phases of economic theory and practice. No American writer up to the present has attempted, beyond the scope of a single volume, to do for the whole field what Nicholson, Pierson and other foreign writers have done. Professor Taussig has stepped into the breach and has given to American economic literature a broad statement of economic principles and problems comparable with the

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general treatises of these foreign writers. In many respects Taussig's work reminds one of Mill. As with Mill, no mere summary of contents can bring out the distinctive qualities of greatest value; for these are largely in the lucid, smoothly continuous and common-sense handling of successive themes, in the wide-awake attitude toward qualifying influences in the discussion of doctrines, in the judicial balancing of the pros and cons of debatable questions, and in the beautifully simple and straight-forward English style.

The development and organization of the material likewise suggest analogies with Mill. Mill's large interest was that of linking the thought of predecessors and contemporaries with the results of his own thinking and observation. This gave his work a theoretical core of Ricardianism, much modified in its practical bearings by other influences, among which were personal observations of socialism in France and of the agricultural situation in Ireland. The purpose and plan of Taussig's work have seemingly developed in a not dissimilar way. "The order of the topics," he tells us, "has been determined more by convenience of exposition than by any strict regard for system" (I, vii); but, after all, it seems clear that the work has grown logically out of an effort to unify and harmonize classical thought with modern doctrine, amplified and vivified by Taussig's perennial interest in current problems. Indeed, the plan of division of the work into books readily harmonizes with this interpretation. Taussig's earlier work on taxation, money and international trade accounts for the well-rounded treatment of each of these themes in a distinct book. The three books dealing respectively with production, value and exchange, and distribution—with the omission of a treatment of consumption—are in line with past and much of recent practice. And the remaining two books (on problems of labor and problems of economic organization) grow out of a consideration of general wages—a consideration, as in Mill's case, that mingles the practical concern of the humanitarian philosopher with the theoretical interest of the economist. If wages are to rise "it is necessary, first, that very considerable modifications shall be made from the traditional rules and limits of the system of private property; and, second, that the numbers of the manual laborers shall not increase so fast as to swallow up all the possibilities of gain" (II, 208). The first of these considerations is made the occasion for the two books last mentioned, although their content is more varied than their declared purpose. The second is made an integral part of the book on distribution.

Confining attention to the three books dealing with underlying principles, one is again reminded of Mill. Just as he was interested in

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preserving the continuity of development of theory and in giving a contemporaneous illustrative content to resulting theoretical forms, so Taussig's main purpose seems to be that of harmonizing and unifying various phases of modern doctrine with its classical antecedents and of filling resulting shells with a kernel of modern illustrative fact. The effect is much the same in the two instances. The effort to give modern content to old forms is best illustrated in the treatment of production; the effort to unify doctrinal concepts, in the handling of value and of distribution.

Thus—to illustrate, first, the former of these tendencies—the idea of productive and unproductive labor as developed by classical writers is explained and found to be untenable. The newer utility interpretation has robbed the old contrast of meaning. But a new content is found in current activities. In not a few instances these are predatory and parasitic. When not merely superfluous, they are harmful; in any case, they are clearly unproductive. Much of the speculative gambling associated with the stock and produce exchange is of this type. It is as wasteful of both human and material resources as it is nocuous in its immediate consequences. Similarly in his treatment of capital Taussig accepts the classical concept of advances to laborers. But the concern of classical writers over the strength of the forces making for saving, that so largely turns their capital discussion into an examination of the effective desire of accumulation, in Taussig becomes a question of the uses to which productive modern industry can devote its surplus. "In the main the way in which the increase of savings can find escape from its difficulties is through the parallel advance in the arts, calling for more and more elaborate forms of capital" (II, 28).

The attempt to harmonize, unify and restate doctrinal elements may next be illustrated. The author's concept of value is one that for the most part merges value and price ideas. As a starting point, he recognizes the dependence of value on marginal utility. But in tracing out the emergence of value (and price) under varying conditions, his tendency is, as the discussion advances, to return gradually to a Ricardian viewpoint. In instances of variable supply, costs (objectively viewed in the main) are dominant. Under free competition, where costs are constant, value is determined by the costs; where costs are increasing, Marshall's scissors analogy of a true equilibrating of marginal utility and costs affords the key to the determining of value; where costs are diminishing, there may be an indefinite number of normal cost prices. In the case of joint cost and joint demand, there is a constant interaction of forces, with those of supply (costs) dominant. It is because

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the movement of labor is not free that marginal utility exercises any influence in value determination. "With free competition both of labor and of capital . . . value would be regulated fundamentally by quantity of labor" (II, 148).

The theory of distribution is likewise an attempt to appraise varying views and to adjust congruous elements into a unified and harmonious whole. Its successes and failures match those of Marshall's similar endeavor. To a homogeneous treatment of all income-yielding property objection is raised, on the ground that in the long run the income from capital (interest) tends to a normal competitive level, while that from limited natural agencies includes an exceptional or differential element. From the standpoint of the practical implications of economic theory in the field of public policy, it is the part of wisdom to recognize that "economic rent and monopoly gains are unearned returns, and should be treated differently from return on capital pure and simple" (II, 123). The idea that capital is productive is expressly repudiated. Only labor is truly productive, and capital is merely labor applied in an indirect way. When, therefore, the view is reached that interest is determined by the least productive use of capital, the term "productive" must be regarded as elliptical. On the supply side, interest must be viewed as a necessary inducement to saving. An equilibrium results at the point of marginal "productivity" and marginal saving. This results in a true saver's surplus on the one hand and a "consumer's" surplus on the other. The latter proceeds from the more effective applications of capital above the margin. It would be interesting to determine how this "consumer's" surplus compares in point of identity with the aggregate wage item in the marginal-productivity theorist's explanation of the interrelations between interest and wages. The rent concept is that of a price-determined surplus, depending upon the fact of diminishing returns from land. There is little variation from the Ricardian formula in the working-out of this idea. Profits are likewise a price-determined return worked out in terms of an ability surplus. The central thread of this discussion is reminiscent of Walker. Wages are said to be determined by the discounted marginal product of labor. By marginal product of labor is meant, not the product of the marginal laborer in a series, but the product of labor working at the margin of employable opportunity, *e. g.* on no-rent land or with a competitive producer. Separate productivity of capital and labor is denied. It is impossible to demarcate a separate product. "There is a joint product of all labor applied—earlier labor as well as later labor" (II, 197). This view is depend-

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ent, it is urged, on the existence of a marginal return to capital only large enough to induce necessary investment. Otherwise we could go no further than to say "that the general rate of wages will depend on the relation between the number of laborers and the amounts which the capitalists choose to advance" (II, 202).

Mill's synthesis of earlier views with his own was a simple task compared with the one Taussig has undertaken. And if Mill's material was irreconcilable in some respects, the stuff of which modern theory is made is so much more so that Taussig's equal success in welding it together serves in an unusual degree to bring out difficulties and to clear the path for next steps. If the attempted reconciliation of diverse viewpoints seems to some fellow economists to break down at points, it should be recognized that this is because the viewpoints involved are fundamentally irreconcilable.

The chapters on practical themes call for no extended comment. They are models of clear exposition and interpretation. Like the chapters on theory, they are characterized by rare insight into the needs of uninitiated but virile-minded readers.

ROSWELL C. MCCREA.

UNIVERSITY OF PENNSYLVANIA.

Monopoly and Competition: A Study in English Industrial Organization. By HERMAN LEVY. London and New York, The Macmillan Company, 1911.—333 pp.

The task which Professor Levy has undertaken in this volume is to sketch the history of British monopolies from the sixteenth century to the present. Under the fostering care of the Stuarts, monopolies of all sorts and descriptions grew rapidly in number. Essential to their existence was: first, a grant of privilege by the crown to certain corporations or individuals; second, the suppression of internal competition by law; third, a protective trade policy. The opposition to these monopolies was exceedingly bitter, particularly so during the period of the Civil War. By the end of the seventeenth century a triumphant parliamentary party succeeded in bringing their existence to an end. With the maturing of the eighteenth century, however, monopolistic organizations appear, closely resembling the cartel or trust of the twentieth century. The coal-owners of Sunderland and Newcastle by mutual agreement controlled from 1770 to nearly 1840 the coal supply of London. This agreement was secret. In accordance with its provisions a committee of owners determined the amount of the yearly production and the quota of each mine as well. The London end of the combina-

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tion was managed by a ring of wholesale merchants known as factors. The coal trust would sell no coal to anyone save the factors; and as they were few in number, little difficulty was met with in coming to a common understanding. By 1833 this trust began to lose its grip. Railroads and canals were now able to bring coal to London from other sections of the country, and the monopoly by sea was lost.

The second half of Professor Levy's book is given over to a description of the existing industrial combinations in Great Britain. Modern British trusts may be divided into three classes. The first consists of industries only in part protected from foreign competition, as, for instance, industries in which there is no especial advantage in production over other countries, save in the natural protection of freight rates. Among trusts of this description the Portland cement combine and the Steel Association are particularly prominent. The latter organization, in existence but five years, is the most important of all British trusts. Under its influence prices have steadily risen, and, in one instance at least, steel has been sold abroad cheaper than at home. The second group of industries are those in which Great Britain, to all practical purposes, has unconditional immunity from foreign competition. Among the most influential of these favored monopolies are the Fine Cotton Spinners and Doublers Trust, the Bradford Dyers Association, and the Distillers Company, Ltd., as the British whiskey combine is called. The third category is composed of those trusts which have secured protection from competition by international agreement. These are the newest and most interesting of all modern types, and as representative of them we find the British and International Rail Syndicate and the tobacco trust. In accordance with the regulations of the former, "each country retains its own home market, while the export trade is so divided that each member of the syndicate receives a region in which he is free from competition." The tobacco trade is even more carefully preserved from competition. Acting on the belief, in 1901, that the American Tobacco Company was endeavoring to capture the English market by price-cutting, the larger English firms organized for the purposes of defence the Imperial Tobacco Company. A treaty was made with the American Tobacco Company, which forthwith withdrew from Great Britain, and each company, it was agreed, was to have free rein within its own country. Nor did the agreement cease here. For the subjugation of other territory to monopolistic control a third company was formed, the British American Tobacco Company. This third corporation, managed in part by the American and in part by the English concern, has been entrusted by its parents with the stifling of competition in various foreign markets.

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Professor Levy tells us that Great Britain is far more free from monopolies than the United States or Germany. This fact he ascribes, in part, to insignificant freight rates and to the absence of minerals which may easily be monopolized, but in large measure to free trade. British industry at the present time, he tells us, is in a semi-monopolistic state. Once erect a tariff wall, and general trade agreements will be strengthened into cartels and trusts.

Mr. Levy's book is open, in some respects, to adverse criticism. The injection of a somewhat confused although short chapter on early German combinations seems somewhat out of place in a book otherwise devoted to Great Britain. It is doubtful, also, if the eighteenth century was as free from monopolistic organization as the author implies. The coal and copper trades which he discusses were, it is true, selected for government inquiry; but in other trades as well accusations of secret agreements were freely made. As an illustration one may take a printed appeal to Parliament on behalf of the sugar refiners, praying for an inquiry into the illicit restraint of trade enforced by the planters. Again, the author's explanation of the absence of a modern British coal trust is questionable. He tells us that the mines are too many in number and too widely distributed throughout the United Kingdom for their effectual concentration under one central control. Bearing in mind the prophecy of the late Mr. Jevons, that the steel industry could scarcely develop in America, owing to the great distance which separated iron and coal deposits, we are naturally somewhat skeptical when told that the distance between South Wales and Durham prevents the development of a coal trust. Apart from these details, *Monopoly and Competition* contains data of great interest to the historian as well as to the economist, and is clearly and forcibly written.

WALTER P. HALL.

COLUMBIA UNIVERSITY.

Des Clauses d'irresponsabilité en matière de transport maritime. By ANDRÉ GAUTIER. Paris, Librairie Générale de Droit et de Jurisprudence, 1910.—327 pp.

The civil law of continental Europe, as well as the English common law, in principle imposes upon carriers responsibility for losses caused by the fault or negligence of their agents and employees. Modern bills of lading issued by sea carriers regularly contain clauses exempting them more or less completely from this and almost every other liability. In the famous paraphrase of Mr. Justice Butt, an English judge in admiralty, the carrier practically says: You will pay me so much freight

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and give me your goods, and I will deliver them if I like. Of the legal effect of such stipulations M. Gautier has made an admirable comparative study. He shows that during the past forty years the principal continental European countries have adopted, by judicial decision or by legislation, the view held by the English courts, *viz.* that, with certain important limitations, such clauses of exemption are valid. He defends this tendency, not on the ground usually taken by the English courts, *viz.* freedom of contract, for he holds that shippers have practically no freedom in the matter, but on the double ground of the special risks incident to navigation, which can not be thrown wholly on the carriers, and of the high degree of independence necessarily accorded to ship-captains, which properly takes them out of the class of ordinary agents. The recognition at law of these contractual exemptions he treats as part of a broader system, gradually developed, limiting the risks of carriers by sea; and thus he brings this newer movement into line with the older quantitative limitations of the liability of shipowners—limitations to ship and freight or to the value of the same. He accordingly discards the theory held by the American federal courts and by some of our state courts, and formerly held by many continental European courts, that all such contractual exemptions are contrary to public policy (Introduction, pages 9–39).

In examining the laws and judicial decisions of the different countries M. Gautier studies minutely the limitations placed upon the validity of the exemption clauses and the rules established regarding the burden of proof—rules which of course are no less important than the provisions of the substantive law. He devotes much attention to the Harter Act, passed by the Congress of the United States in 1893 and closely followed in the Australian act of 1904. In the distinction therein drawn between what the author terms *fautes commerciales* and *fautes nautiques*—in annulling contracts that seek to exempt sea carriers from liability for failure to provide seaworthy vessels, properly equipped and manned, or for negligence in "loading, stowage, custody, care or proper delivery" of goods (sections 1 and 2), and in simultaneously freeing such carriers *de jure* and without special contract from liability for damages "resulting from faults or errors in navigation" or due to causes wholly beyond their control (section 3)—this act, in M. Gautier's judgment, marks a new stage in the development of this portion of the commercial law (pages 34, 35). He accordingly devotes more than thirty pages (161–193) to a detailed examination of its provisions and ten more pages (271–280) to the question of its effect upon the burden of proof. In view of the slip-shod character of much

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American legislation, it is agreeable to learn that so competent a foreign authority finds this act, in spite of certain lacunæ, "rédigé avec une parfaite méthode" (page 294).

M. Gautier gives us also an excellent though brief chapter (pages 93–105) on conflicts of laws in the matter of sea-carriers' liability. To the law of the place where the contract is concluded or to that of the place where it is to be performed he prefers the law of the flag. He recognizes, however, that whatever general rule be accepted it may be set aside by express choice of a particular law, *e. g.* in the bill of lading—a position which involves a recognition of the "freedom of contract" theory. Such a choice of law, indeed, will not preclude the application of the *lex fori* if the court considers that a public policy is involved; and it is noted that clauses inserted in bills of lading by trans-Atlantic carriers, seeking to elude the provisions of the Harter Act by stipulating that controversies are to be determined by the law of England, are treated as void by the Supreme Court of the United States.

When, however, there is question of the choice of a particular law by a voluntary submission which is not express but is to be inferred from the circumstances of the case at bar, the author correctly states that this is "une question d'espèce livrée à l'appréciation souveraine du juge; d'autant plus que l'on peut être sûr d'un fait, c'est qu'en plaidant, chacune des parties fera son possible pour attirer le tribunal vers l'application de la loi qui lui sera le plus favorable" (pages 102, 103). In fact, in several of the leading English and American cases in which weight was attached to the choice of a particular law by carrier and shipper, it is clear that their assumed agreement was, in view of their conflicting interests, a legal fiction, which enabled each tribunal to apply its own preferred theory.

In a penultimate section (pages 281–303), M. Gautier outlines the efforts made at a series of international conferences and congresses to secure uniformity in bills of lading and in the laws regulating the liabilities of sea carriers.

The book is characterized by the orderliness and lucidity that are traditional in French legal literature. A less happy trait of French books, that of misspelling foreign words, including names, is also in evidence, but in this volume such mistakes are relatively few. For his foreign cases the author depends on the files of the *Revue internationale du Droit Maritime*, of whose editorial board he is secretary, and in citing such cases he refers only to volumes and pages of this review. There is no index, and the table of contents is brief.

MUNROE SMITH.

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The Principles of Scientific Management. By F. W. TAYLOR. New York, Harper and Brothers, 1911.—144 pp.

Works Management. By WM. DUANE ENNIS. New York, McGraw-Hill Book Company, 1911.—iii, 194 pp.

In his little book, which grew out of a paper prepared for the American Society of Mechanical Engineers, Mr. Taylor discusses, in a general way, the principles of task management, or, to put it in the words commonly used to describe the author's theme, "efficiency engineering." Although he gives a number of examples of the actual working of the new type of management, he confines his attention for the most part to the fundamental principles underlying its methods. Much of the discussion in the newspapers and magazines has left the impression that the chief, if not the only, object of efficiency engineering is the speeding-up of the workman for the profit of the employer; and it is well that we now have a more accurate statement of its real purposes from the man who is generally recognized as its originator.

The principal object of all management, Mr. Taylor says, should be to insure maximum prosperity to employer and employee; and, "contrary to the beliefs of many, scientific or task management has for its very foundation the firm conviction that the true interests of employer and employee are one and the same; that prosperity for one cannot exist through a long term of years unless it is accompanied by prosperity for the other." There are, in the opinion of the author, three very serious obstacles to the attainment of this form of management: the attitude of the employer in desiring to secure a maximum quantity of work for a minimum amount of wage; the attitude of the employees in begrudging any profit to those for whom they work or any reasonable return on the capital invested; and the inefficiency of the workmen. This inefficiency may result either from spontaneous soldiering on the part of the employees; from a bad organization which necessitates soldiering for the self-protection of the workmen; or from the prevalence of rule-of-thumb methods of shop or works management.

Scientific management, in its attempt to overcome these difficulties, differs from other types of management chiefly in the adoption of the "task" as a "work unit" and in the more careful consideration given to the individual workmen. Under all the best forms of ordinary management which use special incentives, such as the bonus and premium systems of pay, to bring out the best initiative of the workman, the method to be pursued in doing any set task is left entirely

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to him. To relieve him of some of the duties for which he is not fitted and to develop his efficiency, by scientific management, on the other hand, undertakes four new responsibilities:

(1) The development of a science for each element of a man's work, to take the place of rule-of-thumb methods.

(2) Scientific selection, training, teaching and development of the workman; whereas under ordinary management he chooses his own work and trains himself as best he can.

(3) Hearty coöperation with the men, so as to insure all the work being done in accordance with the principles of the science which has been developed.

(4) Equal division of the work and responsibility between the management and the workmen. The management should take over all work for which it is better fitted than the workmen; whereas in the past all of the work and the greater part of the responsibility were thrown upon the men.

In showing the application of these new principles, the author gives illustrations of the actual working of the system; and as he himself says, these examples are truly remarkable—so remarkable in fact that many will not be convinced that it is possible for the individual, who supposedly has been doing a fair day's work, to increase his production to any such extent without increasing to a dangerous degree the energy expended. It is this feature of speeding-up that has been the object of the severest criticism on the part of labor leaders and others; but Mr. Taylor states very distinctly that any attempt to increase production without consideration of other vital features of task management, such as the strain on the workman, is certain to result disastrously. Objection has also been made to the efficiency movement on the ground that it has a tendency to make machines of men; but we cannot assume that training a man to do a thing in the best way is more likely to make a machine of him than permitting him to do it in the manner in which he has trained himself.

The results of scientific management, Mr. Taylor concludes, should be considered and tested with respect to three beneficiaries: the employee, who should benefit through shorter hours and higher pay; the employer, who should benefit through increased profits resulting from increased production and consequently lower cost price; and the consuming public, which should benefit through lower prices for manufactured articles brought about by the increased production.

Mr. Ennis's volume is confessedly a primer on business organization or works management; and as such it should find a place, for there

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are undoubtedly many men who, without desiring to go into details, would like to have a general idea of the underlying principles of business organization and methods. Such men will find in this little book a great deal of valuable information. It contains chapters on "Management Units," "Cost Elements and Classification," "Statistical Records," "Labor," "Material," "Burden," "Depreciation," "Industrial Organization," "Principles of Accounting," "Plant," and "Physical Basis of the Industry." Under each topic are given a number of exercises for the class room, in case the book is used as a text. Since the use of unfamiliar or technical accounting or business terms has for the most part been avoided, the novice may read it without perplexity.

EDGAR V. O'DANIEL.

BUREAU OF MUNICIPAL RESEARCH, NEW YORK CITY.

Wages in the United States, 1908–1910: A Study of State and Federal Wage Statistics. By SCOTT NEARING. New York, The Macmillan Company, 1911.—viii, 220 pp.

Making Both Ends Meet: The Income and Outlay of New York Working Girls. By SUE AINSLIE CLARK and EDITH WYATT. New York, The Macmillan Company, 1911.—xiii, 270 pp.

The History and Problems of Organized Labor. By FRANK TRACY CARLTON. Boston, D. C. Heath and Company, 1911.—xi, 483 pp.

The first of these books represents another effort to throw light upon the important question of income in the wage-earning classes. It accomplishes a double purpose. It brings together in concise form the available material on wages, arranging it cumulatively so as to gather up several lines of evidence into one final conclusion. It also makes critical comment on the material at hand, bringing to the front the value of the facts and thereby showing again what has been so generally recognized—the paucity and the unsatisfactoriness of these reports.

State wage statistics are again made to run the gauntlet of criticism. North Carolina's offerings are "ridiculous," "not worth the paper on which they are printed" (page 16). Massachusetts is the state "most successful in collecting and presenting classified wage statistics"; it "stands among the leaders in this important work," and its system "is an excellent substitute for the one which we may hope to adopt in the distant future" (pages 18, 19, 25). Other states are assigned

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their places in this scale. The objections urged and the reforms indicated should be considered by those who are responsible for this statistical work.

Special wage reports are included in the study, and by inference these furnish material of much more general interest and importance than the specific industries or localities with which they deal.

In dealing with "average" wages the author is duly cautious. "The average wage," he insists, "is an abstract concept, mathematically correct but socially misleading" (page 117). Appearing so generally in the reports, it must be used, but used only in such a way "as is scientifically possible." On such a basis, "fortunately, some use of averages is permissible" (page 118).

If the need for good statistics urged in these pages is heeded, the book will have served a purpose that abundantly justifies its appearance.

Plenty of summing-up statements and tables are found scattered through the pages. They lead the author to conclusions that are interesting and important, if substantiated by further inquiries. Some of these may be stated in his own words. "Figures apparently justify the presumption that wages vary in amount directly with population" (page 104). The study of average wages establishes three important points. (1) "Average wages in all industries and for all employees range from $500 to $600." (2) "Average wages are rather constant for a given industry from state to state and from city to city within a state." (3) "This study of average wages broadens the statistical basis on which wage inferences for the entire industrial region of the United States may be made, by demonstrating the probable similarity between wages in the six leading industrial states" (pages 144, 146). "There is no considerable wage variation per hour or per day between the different sections of the United States" (page 156); though "in the far West they appear to be somewhat higher than in the eastern parts of the country" (page 147). These averages "indicate that the wage variations from city to town within the same geographic area is comparatively slight" (page 148). "Wages do not, as is often supposed, vary with city size. . . . It is commonly supposed that wages increase with the size of the city. . . . There is, without question, some tendency in this direction. . . . The rule is, nevertheless, of limited application" (page 163). "Here in brief compass is an effective answer to the oft-repeated cry of 'plenty of room at the top.' The wage-workers are distributed over the wage groups in a pyramid—large at the base and tapering toward the apex. Half of them work for less than $600 and only one-tenth receive more than a thousand dollars annually" (page 191).

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Measured in comparison with the Chapin standard of $900, the incomes as shown in this study fall far short of the sums required for decent living.

Turning away from statistical tables and from income and outgo averages, so very impersonal in their nature, the little book entitled *Making Both Ends Meet* takes the reader into the human side of the struggle of wage-earners. In its chapters the reader becomes acquainted with some of the details of the struggles of Anna Klotin, Fanny Wardoff, Natalya Urusova, Gerda Nakov, Barbara Cotton and many others—all real persons with very real struggles and very real heroism, but not with very real successes attending their very real efforts. These sketches of biography are gathered from saleswomen, shirtwaist makers, factory workers (unskilled), cloak makers and laundry workers. A chapter on the shirtwaist makers' strike, one on the cloak makers' strike and the preferential union shop, and a closing chapter on "Scientific Management as Applied to Women's Work" serve to give some degree of unity to the book. Such a unity, however, is not the chief purpose. The main object in the minds of the authors is to bring together the several narratives "simply as a testimony to truth," and to throw more light on the study of the minimum wage problem.

After reading (elsewhere) that the average wage of one adult female out of every five engaged in gainful occupation is under $200 a year, and that only one out of every twenty receives $600 or more a year, one should fill in the details of the picture from the pages of this book. Many of the experiences related here have appeared in print before, in the reports of the National Consumers' League investigations. The arrangement, however, gives the material a unity and a degree of variety that make the book a valuable addition to the literature of the subject.

Mr. Carlton's book describes the history of organized labor and discusses its problems. The author undertakes also, as he states in his preface, "to evaluate the functions of organized labor in the industrial and political world."

The first five chapters (including ten pages on the "Significance of Organized Labor") cover the history, which is divided into "Colonial and Revolutionary," "Pre-Civil War," "Civil War" and "National Organization" periods. Chapter vi deals with "Government and Policies." The discussion of "Problems" then follows, and their character is indicated by the chapter titles: "Coercive Methods," "Industrial Remuneration," "Methods of Promoting Industrial Peace," "Protective Legislation for Employees," "Immigration," "The Sweated Industries," "Child Labor," "Woman Labor," "Prison

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Labor," "Unemployment," "Industrial and Trade Education" and "Recent Tendencies."

It is difficult to criticize this arrangement of material, for until a more definite consensus of opinion is reached as to precisely what problems belong to "organized" labor, as distinguished from labor that is unorganized or labor simply as a factor in production whether organized or not, one guess is probably as good as another. Mr. Carlton has included some topics that do not belong directly to organized labor in any restricted sense. At the same time no one would wish to dispute the very close relation. On the whole it is the reviewer's opinion that the author's choice has been a wise one. Within the limits set for the book it would be difficult to suggest substitutions that would be clearly advantageous.

In the historical part the author has adhered closely to the lines of industrial development. In reading these pages one must occasionally remind himself that it is the history of organized labor that he is following. At the end the impression is clear that the beginnings of labor problems are one with the beginnings of all our industrial problems; that labor has been led to organize in obedience to the same forces that result in organization of capital and of all other industrial factors. In the present condition of our knowledge of labor-union history, the reviewer is of the opinion that some of the pages in this section might well have been transferred to the chapter that follows, "Government and Policies," in which are discussed the classification of labor organizations, their government and structure and such other vital topics as membership, disputes between unions, machinery, collective bargaining, closed-shop policy, restriction of output, apprentices, incorporations and benefit features. Or, again, this space might well have been used in expanding the last chapter on "Recent Tendencies," where within twelve pages the author deals with the significance of industrial unionism, political activity and socialistic tendencies.

As the reader enters on the middle portion of the book, he feels that he may trust himself to the author's guidance without fear of being misled or of having facts presented to him in a false light. Fairness of statement and a clear understanding of the ethical and social principles involved in the various problems characterize the book throughout. The writer is not led astray by any sympathy that he may feel toward the laborer, nor does any appreciation of the importance of the entrepreneur betray him into any wrong implications. The book is eminently fair, discerning and scholarly.

Doubtless many readers will wish that other topics had been added.

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That they were not is rather to be commended than censured, for such a book must have its limits.

The book is well worth careful study, and any one who will give it such study will gain a clear, unprejudiced and comprehensive view of the industrial problems that are associated with and more or less centered in our labor organizations.

GEORGE GORHAM GROAT.

OHIO WESLEYAN UNIVERSITY.

Le Chômage et son remède. By DANIEL BELLET. With a preface by PAUL LEROY-BEAULIEU. Paris, Félix Alcan, 1912.—283 pp.

Unemployment: A Social Study. By B. SEEBOHM ROWNTREE and BRUNO LASKER. London, Macmillan and Company, 1911.—311 pp.

Unemployment Insurance: A Study of Schemes of Assisted Insurance. By I. G. GIBBON. With a preface by L. T. HOBHOUSE. London, P. S. King and Son, 1911.—342 pp.

Three years ago Mr. W. H. Beveridge, with his *Unemployment: A Problem of Industry*, changed the whole course of discussion of a most perplexing social problem. He transferred the emphasis from the individual unemployed man to the forces which regularly throw the wage-earner out of work. Since that time the most fruitful studies have been made and the most promising relief measures have been devised by men who approached the problem from this point of view. Now comes M. Bellet to lead us back to the view that unemployment is primarily a personal problem. He attacks the idea that unemployment is a risk to which all wage-earners are subject, and he ridicules the charge that the modern capitalist organization of industry has brought us this evil. For, says he: "Pericles executed his immense public works to aid the numerous unemployed of his day, and it is precisely the development of the capitalist régime which will diminish idleness by allowing free play to economic forces."

M. Bellet disposes quite summarily of what are ordinarily cited as causes of unemployment. Seasonal trades are not a serious menace, for the regular recurrence of slack periods enables the worker to provide against them. Competition and speculation, far from causing idleness, tend to diminish it; the speculators are the very men who throw open the new fields to occupy idle hands. Immigration is no

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cause, for the fact that workers are flocking to a country is a pretty sure sign that they are needed there. The sweating system rather helps the unemployed by affording at least a little income where otherwise there would be none. Machinery, excessive hours of labor and the employment of women and children, as causes of unemployment, are old, exploded fallacies. Changes of fashions, fluctuations in prices and lack of materials affect the employers as well as the workmen, and they tend to disappear as individuals are left free to follow their own interests. Economic crises have a real influence in increasing unemployment, says M. Bellet, but fortunately such crises are acute only in the countries in which they arise. Opportunity is thus afforded to workers to find work in other countries. The conclusion reached is that, aside from idleness caused by personal faults, lack of information and the immobility of labor are the chief causes of unemployment.

Being convinced that, so far as there is a social cause, it is "a bad distribution in space of the available labor supply," M. Bellet naturally concludes: "The real remedy for unemployment . . . is a well organized system of placing agencies." He would have labor exchanges undertaken as private enterprises and organized on a large scale with the same spirit that has developed the commercial markets. Insurance against unemployment would be the logical remedy for unemployment were every wage-earner subject to such a risk. But the author reviews the statistics of unemployment in all countries and shows how unreliable they are for constructing actuarial tables. What are known as "insurance funds" in various parts of Europe, he contends, are merely forms of charity.

As a contribution toward solving the problem of unemployment, M. Bellet's book is of little value. It is keen in its criticism of the various relief measures that have been tried or proposed; but the speculative nature of his objections prevents the author from advancing anything constructive. Like all arguments based on the assumption that economic forces, if given free play, will of themselves work out solutions for our problems, the argument of this book overlooks the evils which it purports to consider. Machinery, speculation, competitive enterprise no doubt create as much work as they make unnecessary—possibly more work—but the new employments are for another class, usually for another generation of workers. Every day new machines are installed; every day firms fail in business; every day trades are dying out and industries are changing their location. It is precisely the wage-earners displaced by such processes that give us our problem, and it is these whom M. Bellet overlooks. The greatest danger to such people is that

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they will fall to picking up odd jobs for a living; but, characteristically, there is practically no discussion of casual labor in the book.

The conclusion that it is lack of information and the immobility of labor which cause unemployment is a confession that organized effort is needed to spread information and to promote mobility of labor. The free play of economic forces does not bring this about, as the "Liberal" school of French economists, to which M. Bellet apparently belongs, would have us believe. A few weeks' experience in dealing with the unemployed would, no doubt, convince our author that unequal distribution of labor exists not only over space but also as between industries. Free competition does not work out to direct to each industry the labor that it needs. Statistics of employment offices show an unsatisfied demand for labor of some kinds side by side with an oversupply in other callings. The intervention of the state, which M. Bellet so strongly deplores, seems to be necessary, not only to organize labor exchanges, but also to prevent new workers, children and immigrants, from over-crowding certain fields, to train more skilled workers and to prevent the demoralization which comes from living on the uncertain income from odd jobs.

It is indeed a pleasure to turn from the speculative treatise of M. Bellet to a book which the authors justly describe as *A Social Study*. Messrs. Rowntree and Lasker also approach the problem from the standpoint of the individuals unemployed, but they do not lose sight of the industrial forces that are displacing workers. Their book is a detailed study of the effects of these industrial processes on individuals, and their conclusions are most valuable in checking up the results that have been obtained by studying the problem from the viewpoint of the industry. They have treated unemployment with the same thoroughness that Mr. Rowntree displayed in his study of poverty. The method of inquiry was as follows:

> On June 7 [1910] and the two succeeding days, sixty investigators, selected by the writers as being men who would do the work conscientiously, called on every working-class house in York and ascertained whether any person residing there was out of work and desirous of finding it. . . . They further ascertained whether the unemployed person was male or female and the occupation which he or she was seeking. As it was desired to cover the whole of the city within three days, further investigations were left over to be made at subsequent visits.

After all the unemployed on a single day had been listed, a smaller number of trained investigators were employed to look into each case.

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The book under review gives the result of this investigation. On the day of the census, which the authors describe as being "about half-way between normal trade and acute depression," 1278 persons were found to be unemployed. An unemployed person is defined as one "who is seeking work for wages, but unable to find any suited to his capacities and under conditions which are reasonable, judged by local standards."

York, England, is a town of about 82,000 inhabitants. The men found to be unemployed represented 4.4 per cent of all occupied males over ten years of age, and the women represented 1.5 per cent. Of the 1278 persons, 10 per cent were boys under nineteen years of age; 22.8 per cent were men who had been regularly employed within the last two years; 34.5 per cent were casual laborers; 13.5 per cent belonged to the building trades; 8.2 were "work-shy" or unemployables; and 10.9 were women and girls. Each of these classes of unemployed is discussed in a separate chapter, and the data concerning all persons in the class are summarized in excellent tables. Each chapter closes with "Proposals for Reforms," which the authors discuss in an admirably bold and practical way.

The conclusions reached are, in the main, not new; but they are much strengthened by the evidence obtained in this case study. The need for industrial training for boys is pointed out, and a plan is suggested for directing them to the more promising employments and keeping them there. Afforestation and the saving of work for dull times by public authorities are suggestions strongly commended. In a town the size of York it appears that the chief work the labor exchanges can do is to "decasualize" the labor market. "By decasualization is meant the concentration of casual work available upon selected men, who thus receive practically constant work, although for different employers, instead of its distribution over an indiscriminate body of workers, all of whom are under-employed." Those who are squeezed out by this policy must be taken care of by other reforms, such as the reduction of the hours of labor and the raising of the age at which children may go to work—reforms which the Webbs have suggested.

The authors point out the many drawbacks which necessarily apply to any scheme of insurance that may be devised; yet they consider insurance desirable as one of several measures necessary to lessen the hardships resulting from want of work.

The most interesting of the proposals for reform is the "Decentralization of Town Populations." The experience of Belgium in helping workers to acquire homes in the country and affording them cheap transportation is described. By cultivating a plot of land, the workers

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have been able to provide themselves with an alternative to industry when that failed them.

The third of the books under review represents a detailed study of one of the proposed measures for providing against distress from unemployment, namely, insurance. Mr. I. G. Gibbon has made a careful presentation of the facts relating to the operation of the various schemes of unemployment insurance in European countries. Two or three years ago Dr. D. F. Schloss issued a small volume covering the same subject, but it was a mere sketch. Mr. Gibbon's book will be valuable to those who wish to know what actually has been accomplished with insurance against unemployment, what schemes have proved successful, what the difficulties are that have to be overcome and what measures need to be taken to overcome them. The author makes but brief mention of unassisted insurance, such as the ordinary traveling and out-of-work benefit of the trade unions. His study is concerned mainly with assisted insurance. This he divided into three main groups:

I. Compulsory insurance, the insurance being compulsory on certain classes of workers.

II. Provided voluntary insurance, the insurance being provided by a public authority or some body other than insured persons, and being usually open to workers in general.

III. Autonomous voluntary insurance, the insurance being organized and administered by the insured themselves, each insurance association being generally restricted to persons following the same or allied trades.

One conclusion reached is that the community should financially assist the making of provision against unemployment. Assistance should so be given as to encourage self-help, and this can best be accomplished by subsidizing autonomous schemes of voluntary insurance, such as trade-union benefits. This is, in fact, the Ghent system, which has proved its superiority over all other schemes. Compulsory insurance is considered inexpedient, nor does the author deem it advisable to require compulsory contributions from employers when the insurance is voluntary. Where voluntary associations are receiving subsidies the government should provide means for insurance of those not in the associations. Insured persons should, as far as possible, be given a preference at the labor exchanges.

Whether the student agrees with these conclusions or not, a perusal of the book will help him to form an intelligent opinion of unemployment insurance, for the data seem to be fully and fairly presented.

WILLIAM M. LEISERSON.

MILWAUKEE, WISCONSIN.

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The Village Labourer, 1760–1832. A Study in the Government of England before the Reform Bill. By J. L. HAMMOND and BARBARA HAMMOND. New York, Longmans, Green and Company, 1911.—x, 418 pp.

As the sub-title indicates, it is not so much the English rural laborers as the English governing classes who form the subject of Mr. and Mrs. Hammond's book. The character of the English peasantry, their economic condition, their slow degradation into pauperism and crime under the pressure of a government in which they had no voice—these are primarily counts in an indictment which the authors bring against the men who had taken into their hands all political power, controlling administration through the cabinet and legislation through the House of Lords and the House of Commons.

The volume opens with a brief survey of the comparative position of the aristocracy in France and in England—in France with privileges and no power, in England with power and nominally no privileges. This comparison shows the English aristocracy in a favorable light so far as regards activities and personal character; but as concerns the relative position of the aristocracy and the common people, the *fainéant* French nobility is declared to have been less oppressive to the mass of the nation than the vigorous aristocracy of England. Controlling every governmental institution, local and national, the English governing classes should be judged by the use they made of their power and by the consequences of their legislation and of their policies. Foreign wars and an expanding empire the authors leave out of the question. The subject of inquiry is the welfare of the English nation, and how far this was promoted or destroyed by the governing classes. The position of the urban population, which the subject necessarily includes, has been left for a future volume; in the present work the indictment of the government of England from 1760 to 1832 is founded only on its treatment of the English peasantry.

At the opening of the period, England is described as a country of rough plenty and of rural contentment. It is a nursery of hardy manhood—independent, bold, thrifty and self-reliant. Each family has its acknowledged place in the economy of the nation—the cotter with his small home and his common rights, just as much as the squire, the parson or the lord. At the end of the period, this typically English population has vanished. Parliament has legislated it out of existence. Independence, economic and moral, has been snatched from the peasant, and the rural laborers have been converted into a proletariat,

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owning nothing, dependent for their subsistence on insufficient daily wages eked out with parish doles. The land in which the peasants formerly had a share has been legislated into the hands of the great landlords. The poor man's cow and geese and pigs have disappeared. The rough plenty of his fare has given place to semi-starvation; and the only changes to which the legislators can point with pride, as the result of their efforts, are a great increase in servility of manner—an abatement of the "sauciness" which formerly so afflicted the upper classes when they contemplated the behavior of the poor—and a greater degree of diligence in working for wages, the work for a master not being interfered with by any desire on the part of the laborer to devote his time to his own concerns. As the authors put it:

> The enclosures created a new organization of classes. The peasant with rights and a status, with a share in the fortunes and government of his village, standing in rags but standing on his feet, makes way for the labourer with no corporate rights to defend, no corporate power to invoke, no property to cherish, no ambition to pursue, bent beneath the fear of his masters and the weight of a future without hope [page 105].

The corollary of this hopeless servitude of the rural laborer is crime—chiefly the law-made crime of poaching. Side by side with the legislation that deprived the English people of all right in the soil, there grew up a savage criminal code, ever more severe as the lot of the peasant grew worse; for the legislators could find no deterrent from crime for the hopelessly miserable except an ever-increasing severity. The number of crimes punishable by death or by transportation continually increased; and sedulous care was taken that punishment should really punish even the unhappy wretch who all his life had never known what it was to be fed and clothed. The one man among the governing classes who really sought a remedy for the terrible evils which culminated in the last revolt of the laborers in 1830 was Lord Suffield, and when he tried to interest ministers and Parliament in the subject he met with no encouragement:

> "The fact is," he wrote in his memoirs, "with the exception of a few individuals, the subject is deemed by the world a bore; everyone who touches on it is a bore; and nothing but the strongest conviction of its importance to the country would induce me to subject myself to the indifference that I daily experience when I venture to intrude the matter on the attention of the legislators" [page 323].

Much careful work has gone into the *Village Labourer*. Mr. and

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Mrs. Hammond have had the advantage of access to the Home Office papers, on which they have drawn largely for the account of the rising of 1830 and its suppression. For the chapter on enclosure, which includes a large amount of new matter illustrating the process, they have used the journals of the House of Congress and of the House of Lords, the parliamentary registers and the reports of parliamentary committees. Twelve acts of Parliament are given in Appendix A, in order to show by actual examples what provision these enclosure acts made for lords of the manors, landowners, tithe-owners and cotters. Appendix B gives family budgets in various countries at the end of the eighteenth century. Every statement concerning wages, purchasing power of money and condition of the laborers is carefully substantiated, and the book must be accepted, not as a sensational bit of propaganda in a movement against the aristocracy, but as a scholarly addition to the literature which has lately been accumulating on the social history of England—a new volume ranking alongside of Sidney and Beatrice Webb's *The Manor and the Borough*, Hasbach's *History of the English Agricultural Laborer*, and Slater's *English Peasantry and the Enclosure of Common Fields*.

A. G. PORRITT.

HARTFORD, CONNECTICUT.

The Negro in the New World. By Sir HARRY JOHNSTON. New York, The Macmillan Company, 1910.—xv, 499 pp.

Perhaps no living white man has had so wide an acquaintance with the Negro race under all its differing conditions as Sir Harry Johnston, who has been in his time British consul for Southern Nigeria and Portuguese East Africa, commissioner in Central Africa, consul general in Tunis and special commissioner in Uganda, and who has just completed an extensive tour in the Negro settlements of the western world. What such a man has to say on the Negro problem must be of interest. Sir Harry Johnston has, to be sure, many unfortunate habits as a writer. He is lamentably careless in details; he asserts, for instance, that Chinamen vote in America, that Morua Delgado was leader of the New Negro Cuban party and that the Episcopal church supports no Negro schools. Then, too, his logic is often confused and contradictory, and he is fond of the striking phrase even when it tempts beyond the exact truth. Notwithstanding these drawbacks, this survey of the Negro race in America is the only attempt since that of George W. Williams, thirty years ago, to consider the question broadly and to bring into one volume a history of slavery and the rise of the black man over seas. The

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author writes on the color question with a certain fine breadth of view and lack of prejudice which is refreshing, even if unfashionable according to current American standards.

The book begins with a long chapter on the anthropology of black folk and a short chapter on the American Indian. Four chapters are given successively to American slavery under the four great slave-trading nations, the Spanish, the Portuguese, the Dutch and the French. Three chapters are devoted to English slavery in the West Indies and three others to slavery in the United States and the anti-slavery movement in England. This takes up three-fourths of the book; the remaining nine chapters are given to the study of education at Hampton and at Tuskegee, and to a social survey of the South together with a general forecast of the future.

The author's studies of slavery under the early slave-trading nations bring together a great many interesting facts, although nothing, perhaps, especially new. Among other things, he says:

> Intelligent European travelers in Africa and America during the last half of the eighteenth century recorded opinions of their own and answers to their questions from negroes which went to show that, in the opinion of the negroes themselves, the slave-holding nations stood thus in order of merit as regards kind treatment of slaves: the Portuguese first; then the Spaniards, the Danes, the French, English and Dutch.

This contradicts the current tradition that Spanish slavery was unusually cruel. The author's treatment of West Indian slavery and of the general condition of colored folk there is full, and is particularly valuable because of lack of other easily acessible books on the subject.

In his treatment of the United States, the author first rapidly reviews the history of slavery from 1619 through Reconstruction. In considering the slave codes the author points out their excessive harshness, a fact that we often forget to-day. He has not been misled by the current interpretations of the meaning of Reconstruction: he says plainly that Reconstruction will not be complete until "the negro and the colored man enjoy the same citizen rights in the seceded states" as are accorded to others. On the other hand, his consideration of Negro education is not as complete or as satisfactory as one could wish. He visited Hampton and Tuskegee and is rightly impressed with their work; but he does not realize how much the success of that work has depended and does depend on the work of Negro colleges, and how unfortunate it is that the Hampton-Tuskegee propaganda has been allied with the policy of disfranchisement, limited

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opportunity and social insult. His solution of the vexed problem—and the last word of his book—is as follows:

The solution will probably be that the two races, white-skinned and brown-skinned, will coexist in amity and common American citizenship on the 3,000,000 square miles of the United States. Whilst ten millions of Afro-Americans are slowly increasing to twenty millions between Florida and Alaska, two, three, four, five millions of Euramericans will be leaving the North American continent for Central America and South America and the paradises of the West Indies.

In the larger Imperialism of to-morrow, when the influence of the English, French and German-speaking white man extends from Cape Columbia (in Grinnel Land) to Cape Horn, there will be room in between his strides and his thrones for brother peoples of darker skins but equal brains. In that day, when the white American meets his brown-skinned brother on equal terms in the mart, the exchange, the university and the theatre, he will, if he comes across them in some old book of the early twentieth century, smile at the rude diatribes of a Vardaman and frown at the discourtesy of a departed dean of a Missouri medical college.

W. E. BURGHARDT DUBOIS.

NEW YORK CITY.

The Immigration Problem. By JEREMIAH W. JENKS and W. JETT LAUCK. New York and London, Funk and Wagnalls Company, 1912.—xvi, 496 pp.

This book is in effect a summary of the work of the Commission on Immigration which President Roosevelt appointed under the act of 1907. The report of the commission is now appearing in forty-two stout volumes, and the student, as well as the general reader, may be grateful for this almost authoritative digest from the hands of Professor Jenks, who was a member of the commission; and Professor Lauck, who served as their "expert in charge of the industrial investigations."

Their book shows, both in text and index, marks of haste, but these detract from its form, not from its substance. Its matter is apportioned under the following heads: "Introduction"; "Causes of Immigration" (here are considered, also, the attitude of Europe toward emigration, the effect upon the United States of the return to Europe of immigrants and the question in what sense America demands more labor); "Characteristics of Immigrants which affect American Institutions" (mainly the familiar official statistics as to sex, age, occupation, literacy *etc.*); "Social Problems of Recent Immigration" (this section

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includes, in addition to data in regard to crime, pauperism, disease and so forth, a digest of an elaboration of unutilized Census figures as to the fecundity of our immigrant population and of a special study of the "white slave" business); "Manufacturing and Mining Communities"; "The Immigrant in Agriculture" (largely based on Professor Cance's work for the commission); "Immigrant Institutions" (banks, coffee houses, newspapers, churches and schools); "Living Conditions and Congestion"; "The Status of Immigrants in Industries" (containing important statistics as to occupation, earnings and income); "The Floating Immigrant Labor Supply" (including interesting matter as to methods of securing employment and conditions in labor camps in different sections of the country); "The Immigrant as a Dynamic Factor in Industry" (perhaps the most important part of the work); "European and Mexican Immigrants on the Pacific Coast"; "Oriental Immigration to the Pacific Coast States" (including an account of East Indian or Hindu immigration); "Agencies of Protection, Distribution and Assimilation"; "Assimilation and Progress" (including the results reached by Professor Boas in regard to changes in head-form among the children of immigrants); "Legislation and Administration"; "Remedies." The appendices include, beside statistical tables, the text of two pieces of proposed legislation: Senator Dillingham's bill and that of the acting head of the immigration service in 1909.

The results of the investigations here set forth run counter at various points to current beliefs and prejudices, but probably hold few important surprises for serious students of the subject. The pivotal point of the whole study is perhaps the conclusion that the chief ground for concern in regard to our immigration is not its political results, not any menace of crime, pauperism or disease, but its industrial reactions.

> In most of the discussions on immigration that have appeared during the last few years . . . great importance has been attached to the social effect of immigration, arising from the personal qualities of the immigrants. . . . The late investigations of the Immigration Commission show that undue significance has been attached to these social effects during the last few years. . . . At the present time there is no serious danger to be apprehended in this direction. . . . The number of persons affected with contagious diseases or insanity or the number of paupers or criminals arriving, taking them as individuals, is very large, but taken as a percentage of the entire number coming is so small that little heed will be paid to it. . . . The chief danger of immigration lies not in this direction but in the field of industry [pages 64 *et seq.*].

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The old much-lauded immigration from northwestern Europe in the ante-bellum period did indeed bring in a serious importation of paupers and ne'er-do-weels and of contagious disease. The present immigration, largely from the southeast of Europe, is selected, partly by the very circumstances of its origin, partly by knowledge of our legislative requirements and, in a less degree, by actual rejection at our ports, till it supplies exceptionally promising material as regards muscular vigor, energy and initiative and, in a large degree at least, personal trustworthiness.

On the other hand, regarded as a supply of labor, its peculiar characteristics have had and are having important consequences. Our authors conclude that it is immigration which has made possible our remarkable expansion in manufacturing and mining during the last thirty years; that the older stratum of labor, whether native American or of the older immigrant group, has been seriously affected by displacements caused by recent immigration and by consequent retardation of advancement in pay and working conditions; that the new comers, owing to illiteracy and lack of English, have been slow in developing industrial efficiency and in attaining to American standards of work and living and, generally, in "assimilating"; and that "the point of complete saturation has already been reached in the employment of recent immigrants in mining and manufacturing establishments" (pages 196, 197). This thesis is developed with more freedom and more interestingly by Mr. Lauck in a recent article on the Lawrence strike published in the *North American Review*. Worth considering on the other side is Dr. Hourwich's article on "The Economic Aspects of Immigration," which appeared in this Quarterly last December (volume xxvi, pages 615–642).

Perhaps the next most striking point of the vast investigation under review is the proof of the ubiquitousness and at the same time of the segregation of the foreign-born. East of the Mississippi and north of the Ohio and Potomac the Immigration Commission could not find one town of industrial importance (with the sole exception of certain mining places in Missouri) without its immigrant section inhabited by Slavs, Italians, Magyars or other recently arrived races. These immigrant settlements they classed as of two main types: the one a foreign colony, affixed to an old-established community; the other a recent aggregation, made up mainly of foreigners. The latter type is found largely in mining districts. In settlements of either type they find that between foreign-born and native populations

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there is little contact or association beyond that rendered necessary by business or working relations. Immigrant workmen and their households not only live in sections or colonies according to race but . . . attend and support their own churches, maintain and support their own business institutions and places of recreation and have their own fraternal and beneficial organizations. . . . The native-born element . . . is in most cases ignorant of conditions which prevail in immigrant sections; but even when acquainted with them natives are usually indifferent, so long as they do not become too pronounced a menace to the public health and welfare. Under normal conditions there is no antipathy to the immigrant population, beyond the feeling, uniformly met with in all sections, that a certain stigma . . . attaches to working with recent arrivals. . . . This aversion . . . is nevertheless one of the most effective forces in racial segregation and displacement. . . . It is to be expected that, before these communities are assimilated, they will have a pronounced effect upon American life, for the reason that the slowness of the process must result in the establishment, perhaps in a modified form, of many old-world standards and institutions.

The native American attitude of ignorance and indifference

extends even to the native churches, and very few agencies have been established for the Americanization and assimilation of southern and eastern European wage-earners. Not only is a great field open for social and religious work, but vast possibilities are offered for patriotic service in improving the serious conditions which confront a self-governing republic [pages 73–76].

Together with a "domestic immigration policy," to borrow Miss Kellor's phrase (*cf.* her article in the *North American Review*, volume 193, pages 561–573), our authors desire certain changes in our immigration laws. They apparently endorse the recommendations of the Immigration Commission, and they favor some measure of restriction, of a sort to protect native labor. They are uncertain, however, what form such restriction should take. Among the proposals which they discuss they do not include the very interesting one made by Mr. Paul U. Kellogg, of the *Survey*, and since put forward in a different shape by Professor Fairchild of Yale—to use a minimum wage-requirement as a sieve for immigrants. Such a policy would seem, however, to be directly in line with their views, notably as expressed with regard to needed modifications of our present contract-labor law (*cf.* page 338). The crux is to find a practicable form for such a policy.

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BOOK NOTES

In the brief essays, originally published in the London *Nation*, which Mr. J. A. Hobson has collected under the title: *A Modern Outlook: Studies of English and American Tendencies* (Boston, Dana Estes and Company, n. d.; viii, 318 pp.), there is insight and philosophy; there is effective if somewhat heavy-handed writing; there is also, not infrequently, a display of prejudice, naked and not ashamed, that further reminds one of that Briton of Britons, Dr. Samuel Johnson. Certain institutions, policies and persons arouse in Mr. Hobson a wrath that may be righteous but that limits his mental activity to a search for verbal missiles. Among the persons he can not tolerate is Mr. Theodore Roosevelt, at whom he hurls again his memorable paper on "The Boom-Child" (pages 208–215) and to whom he pays similar but briefer attention in other places (*cf.* pages 91, 92, 268, 269). Of policies, imperialism is that which he most detests; and while but one essay in this volume, "The Game of Efficiency" (pages 278–284), is wholly anti-imperialist, passages of the same trend may be found elsewhere. One of these is worth quoting. "The hopeless crudity of western modes of government in handling what we term eastern fanaticism is dramatized for us in a terse telegraphic message which some years ago appeared in the columns of the London press: 'A new saint has appeared in the Swat Valley; the police are after him'" (page 274). Mr. Hobson's outlook is not always as modern as his title promises; it is moderately so, however, in the batch of essays on "The Woman of the Future" (pages 109–142), and highly so in the concluding essay on the case of Ferrer, who is presented as a "martyr for education" and whose execution is characterized as "an incomparably worse crime" than bomb-throwing (pages 317, 318). Mr, Hobson is at his best—which is very good—when he is not too modern: witness his papers on Thomas Paine (pages 90–97) and on Oliver Wendell Holmes (pages 155–162).

In his *Sociology Applied to Practical Politics* (New York, Longmans, Green and Company, 1911; xi, 320 pp.) John Beattie Crozier has embodied certain essays which have appeared during the past few years in English reviews. The book falls into three divisions, each with a unity of its own running through the chapters: "A Challenge to Socialism," which pillories Marx and tells the Fabians that they are not Socialists

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at all; "Sociology and Politics," which includes an assault upon the strangely overrated work of Benjamin Kidd and an ironical criticism of Wells's *Modern Utopia;* and "Sociology and Political Economy," which presents as convincing an appeal for protection in England as has been offered anywhere since the issue was first raised by Joseph Chamberlain. In his lively and trenchant manner Mr. Crozier throws ridicule upon Marshall and his "academic and apostolic associates"; but though, in view of the present condition of English industry, he would "carry out most of the protectionist principles with a rigor unknown outside Japan," he concedes that free trade was best for the country during the period when her commercial and manufacturing supremacy went almost undisputed. He believes that free trade is largely responsible for "this relative backwardness of England in emerging from a more primitive stage in the organization of industry, namely, that of free competing industries, with their waste, friction, and expense, into the higher constructive stage of combination, with its immense economic advantages and its saving of waste and cost." He makes some sagacious comments on the relation between the trusts and the banks in the United States.

Our Electoral System: The Demand for Reform, by Mr. Joseph King, M. P., and Mr. F. W. Raffety (London, Thomas Murray and Company, 1912; viii, 149 pp.), is an exposition of the existing British electoral system in all its aspects and of the lines on which it is urged that the next reform bill should be framed, if, as is now confidently expected, the matter is to be taken up by the present Liberal government. The changes effected by the reform acts of 1832, 1867 and 1884 are briefly but carefully and accurately described. So are the anomalies—plural voting and the university franchise—which have survived all the reform acts of the nineteenth century. There are also chapters describing the exceedingly costly and undemocratic system of registration of voters, and explaining with all necessary statistical detail the urgent need of a new and more democratic distribution of seats.

Two new volumes have been added to the "National Municipal League Series." *The Initiative, Referendum and Recall* (New York, D. Appleton and Company, 1912; viii, 365 pp.) includes fourteen articles of varying merit written within the past six years. Colonel Roosevelt and Governor Wilson are among the contributors; and the opposing points of view are felicitously stated in the essays which Congressman McCall and Senator Bourne recently contributed to the *Atlantic Monthly*. Professor W. B. Munro, who, as editor of the volume, discusses different phases of the subject in the opening chapter, believes that "most of the existing political ailments can be eradicated

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by specific remedies directed straight against the local seat of trouble." The initiative and referendum, although intended to rehabilitate our legislatures by making the corruption of assemblymen and senators no longer sufficient for the accomplishment of sinister ends, are apparently not regarded by him as "specific" remedies. Objections to the new system are accepted without critical scrutiny and emphasized unduly. If, as Professor Munro claims, the distinction between constitutional and statutory law will be swept away, it is clear that the state legislatures will be freed from the often whimsical restrictions which have been placed upon them by the state constitutions, and it is hard to see why this change will sap the vitality of representative government.

The second of the volumes alluded to in the preceding note, *The Regulation of Municipal Utilities* (New York, D. Appleton and Company, 1912; ix, 404 pp.), will take an important place in the existing literature on this subject. A general exposition is combined very happily with concrete illustrations, drawn from cities as widely scattered over the country as Los Angeles, St. Louis, Minneapolis and New York. Of the fifteen papers several were prepared especially for this volume; most of the others, though originally read before meetings of the National Municipal League, have been thoroughly revised. They deal with such matters as a model street-railway franchise and the public-utilities commissions of Kansas City and of Massachusetts; and all are written by experts. The editor, Dr. Clyde L. King, has grouped the papers under three divisions: regulation through franchises, regulation through municipal-utility commissions, and regulation through state-utility commissions. He has himself contributed six chapters, which are well calculated to give the reader a grasp of essential principles and to weld the various parts of the book into a coherent whole.

In *The American Republic* (New York, The Century Company, 1911; xviii, 359 pp.) Mr. S. E. Forman has provided a text for use in those secondary schools which allot only a limited time to the study of civics. The general plan of the book is commendable: first, the broad principles of American government, such as democracy, federalism and civil liberty; then the frame-work, beginning with Congress, one is glad to note, and ending with the township and municipality; and finally the functions of government (finance, commerce, police *etc.*). But Mr. Forman apparently has not discovered that the younger generation is curious and wants to see how the wheels go round. "We shall not improve the citizenship of our youth," he says, "by gorging their minds with facts and details of government. The way to improve citizenship is to establish correct political ideas and indoctrinate sound

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notions of political morality." Does not this mean that citizens ought to subsist on abstractions, allowing themselves and the government to be managed, as in the past, by the "practical" men? Consistently enough, the nature of society and government and representation are discussed at length, while ten pages in different parts of the book are found sufficient for describing the history, organization and functions of political parties. The bibliography is remarkable not less for omissions than for the inclusion of certain volumes which would be quite beyond the comprehension of the younger schoolboys.

The West in the East, from an American Point of View (New York, Charles Scribner's Sons, 1911; xii, 534 pp.), by Price Collier, presents the same marked characteristics as the author's previous well-known volume, *England and the English*. It is understood that he is now preparing a presentation of Germany and the Germans, no doubt in a similar vein. His books must be a real boon to those readers—and their name is legion—who seek to find out what they ought to think. Combined with acute observations and rapid generalizations, set forth in a popular and taking style, there is a tone of confident finality which cannot fail to create the consolatory impression that ultimate truth has at last been attained. Thus usefully employed, the author pursued his way through the Mediterranean and the Suez Canal to India, and, after inspecting Great Britain's empire and its workings in that quarter, visited China, Japan, Korea and Manchuria, returning to Europe by the trans-Siberian railway. In affirming that he has "little taste for accusations, and no enmity against the Japanese," he is evidently conscious that his judgments upon them are decidedly unfavorable; but, although his attitude towards them seems to have been primarily affected by their treatment of women and particularly by the practice of concubinage, it may be superfluous to remark that this practice in the Far East is, as the author of course is aware, by no means peculiar to the Japanese. At the end of the volume he sums up, in a concluding chapter containing many interesting and useful suggestions, his views of the relations of the West with the East and of the expedient policies for the immediate future.

More friendly in its attitude towards the Japanese, and less dogmatic in its treatment of all the subjects which it embraces, is *The Obvious Orient* (New York and London, D. Appleton and Company, 1911; x, 369 pp.), by Albert Bushnell Hart, Eaton professor of the science of government in Harvard University. Although the title would indicate that the volume relates wholly to the Far East, yet in reality eight of its thirty chapters are chiefly concerned with the Pacific coast of the

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United States, two being devoted to Alaska. Nine chapters are given to Japan, six to China, three to the Philippines and four to certain British colonies. The text is mainly descriptive, and no attempt is professed to deal with what lies underneath the surface. In discussing the question whether Japan and China will be "westernized," the author would have been justified in risking a more positive answer in the negative than he has given. Civilization is not made up of railways, telegraphs and styles of clothing; and why would it not be as sensible to think of France becoming Germanized, of Russia becoming Anglicized or of Spain becoming Austrianized, because they all employ the same inventions and styles, as it is to think of Oriental races like the Chinese and Japanese becoming wholly western in their habits, traits, mental processes and spiritual conceptions? With reference to the Philippines and their future, Professor Hart's conclusions, although they are altogether favorable to the insular government as now administered, are expressed with a reserve due to his feeling that the welfare of the islands is a subject that excites little interest in the United States and receives little attention in Congress.

Although the suddenness of our descent from the heights of summary judgment upon nations and races has been moderated by Professor Hart, we cannot help extending a certain welcome to Dr. H. Brode's *British and German East Africa* (New York, Longmans, Green and Company; London, Edward Arnold, 1911; xiv, 175 pp., with illustrations and a map). For many years German consul at Zanzibar and Mombasa, Dr. Brode lays before us a mass of facts as to diplomatic, commercial and economic relations, and as to colonial trade, production and development, so well arranged and concisely presented as to hold the attention of the reader and conduct him readily to intelligent conclusions. He makes it clear that the development of German East Africa has far outstripped that of British East Africa, a result which he ascribes not only to superior soil and the benefit derived by the Germans from the Uganda (British) railway, but also to the more systematic and assiduous development by the Germans of tropical production and their greater readiness to learn by the experience of others, particularly by that of the English themselves. It is interesting as well as significant to find this German writer warmly defending the policy established in German East Africa of continuing slavery, with provision for a very gradual emancipation expected to run through "a few decades," on grounds precisely similar to those on which the maintenance of slavery was defended in the United States, while he strongly deprecates the action of the British government, influenced by "a wrong

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humanity" in "home circles," in totally abolishing slavery in British East Africa on and after October 1, 1907.

The main object of Percy F. Martin, F. R. G. S., in writing his *Salvador of the Twentieth Century* (New York and London, Longmans, Green and Company, 1911; xvi, 328 pp.), is to set forth the trade possibilities of the country, and to arouse the British government to the importance of taking measures to preserve the commercial interests of Great Britain in Central America. While historical antecedents are not wholly omitted, they are summarized briefly and in the conventional English formulas, the greed of viceroys and the oppression of the church receiving their usual prominence as the chief causes of all local ills. The framework and personnel of the present government of Salvador are comprehensively described. High praise is awarded to the late President, General Figueroa, for his progressive measures, such as the building of roads, and for his firm and enlightened course in politics. An account is given of the police methods of the country, of the administration of justice and of the prisons, of the school system, and of the management of the telegraph and the telephone. Students of jurisprudence may be surprised to read, in connection with an explanation of how the courts conduct litigation wholly on the basis of written depositions, the statement that the administration of justice in Central America is "based upon the same principles as those in force in the United States," with results generally admitted to be "far from perfect." But the author's deprecation of things North-American is nothing as compared with his unmitigated condemnation of the supineness of his own government and of the recreancy of Mr. Bryce, the British ambassador at Washington, who is conceived to be "more of an American in his sympathies than a Britisher," and who is declared to be more helpless than a child in his management of British interests, especially when dealing with Secretary Knox, the "courteous and amiable secretary of state at Washington," who excels in the kind manner and gentle speech by which men's minds are conciliated. A tribute is paid to the efficiency of the German trader, but it is affirmed that he is unloved.

In *La Republica del Paragua: Impresiones y Comentarios* (Madrid, Librería General de Victoriano Suárez, 1911; 276 pp.), by Adolfo Posada, we have a timely and interesting account of the history, physical characteristics and political, social and industrial conditions of the most singular and in some respects most unfortunate of the countries of South America. The author is a professor in the University of Madrid and a well-known writer on political, legal and economic sub-

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jects. In 1910, while in South America, he made a journey to Paraguay. He describes the places which he visited on the way from Buenos Aires to Asunción, mingling historical data with the narrative of his voyage and setting forth the salient characteristics of the reigns of the three famous dictators, Dr. Francia and the two Lopezes, the second of whom, Francisco Solano, precipitated the country into the war of the Triple Alliance, the terrible effects of which are still felt. In recent years there has been some railway construction, educational facilities have been improved and industry has made progress. Much information as to present conditions is comprised in copious appendices, in which may be found the constitution of the Republic and statistics as to population, territorial divisions, railways, public schools, import and export duties and posts and telegraphs.

The encyclopædic view of the political sciences which Professor Georg von Mayr originally published in 1901, as part of a *Festgabe* for F. A. Schäffle, and which was expanded into a small separate volume in 1906, has appeared in a third (revised and enlarged) edition: *Begriff und Gliederung der Staatswissenschaften* (Tübingen, H. Laupp'sche Buchhandlung, 1910; viii, 182 pp.). The political sciences, in the "literal" sense, are still *Staatslehre*, *Verwaltungslehre*, *Politik*, and constitutional, administrative and international law. The fact that three of these terms can not be put into English without arousing misconception of their significance seems to cast doubt on the universality of the categories which they represent; and the remoteness of these categories from daily human life is illustrated by the fact that *Politik* deals wholly with the action of the state upon its own and other people, while the action of people and groups of people upon the state, which is what the average Anglo-Saxon generally means by "politics," seems to have no place in German systems. The political sciences in an "extended" sense are: the various branches of economics; *Soziallehre*, including *Sozialpolitik* (two more terms which it is dangerous to translate and tedious to paraphrase); and statistics. These last two appear not only at the end of the book but at the beginning; they are two of the three "general social sciences." They are distinct sciences because they deal respectively with "masses" and "strata" of human beings, while sociology, the third general social science, deals exclusively with organized social "groups" (*Kreise*). This limitation, the author tells us, is one which many modern "sociologists" decline to recognize; but their "*Strebungen*" are "*uferlos*" and need to be dammed. Of value are the copious bibliographical notes, although they are chiefly confined to the German literature and are eclectic in that field.

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On the basis of a detailed examination of the law and the practice of the principal modern states and an exhaustive study of the literature, Dr. Rudolf von Laun has constructed an admirable treatise on the nature and limits of the discretionary power accorded to administrative authorities: *Das freie Ermessen und seine Grenzen* (Leipsic and Vienna, Franz Deuticke, 1910; xi, 298 pp.). Of complete or "free" discretion, as distinguished by him from "limited" discretion, he finds very little in the modern world; and he asserts that there is no administrative act in which the discretion of the authority acting is "free" in all respects. Discretionary powers are limited in their exercise by rules of competence and of procedure; and usually they are further limited by an express or implied legal definition of the immediate ends to be attained. What is termed "free" discretion exists only when the legislator is not in a position to determine in advance what is the most suitable and opportune course to be pursued. In such cases the administrative authority may be empowered to choose the immediate end to be attained as well as the means of attaining it. Even here, however, there are "internal" limitations: discretion must not be misused, nor must the end aimed at be out of harmony with the existing legal and social order. In France, at least, some of these restraints are made effective: the Council of State annuls, as *détournements de pouvoir*, acts done with a purpose or for reasons other than those in contemplation of which the power was bestowed. Dr. Von Laun finds this conception imperfectly developed in French theory, and he subjects it to further analysis. In the treatment of his subject, he does not limit himself to the law as it is but offers suggestions for its improvement: for the more accurate definition of discretionary powers and for the correction of their misuse. His is an unusual German law book: it is *gründlich* without being pedantic, philosophical without becoming misty and analytical without splitting irrelevant hairs. At the time of its publication the author was a *privatdocent* at the University of Vienna. By now he should be a professor somewhere.

Il Fenomeno della guerra e l'idea della pace (Turin, Fratelli Bocca, 1911; 99 pp.), by Giorgio del Vecchio, professor at the University of Messina, is a revised and amplified edition of an address delivered by the author at the University of Sassari at the opening of the academic year 1909–1910. It may be classed with the publications which, adopting as their ideal "the peace of justice," present peace as a relative rather than a positive good and war as a relative rather than a positive evil. It is not difficult to construct an argument on these lines, but it is far from easy to establish definitely satisfactory con-

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clusions. Especially is this the case when the historical argument is employed. An Italian, for instance, would see in the present contest with Turkey an effort by means of war to advance civilization; but, if the presence of the Turk in his existing European empire and its African dependencies be considered a blot on civilization, the inquiry naturally suggests itself whether he acquired his dominion some centuries ago and has since maintained it by peaceful methods? It is needless to say that the discourse out of which the present monograph has grown was not prepared with reference to the present conflict, which it antedates. It treats in a fair and philosophical temper the thesis which it maintains, and it enforces the argument with ability and learning.

International Arbitration and Procedure (New Haven, Yale University Press, 1911; x, 235 pp.), by Robert C. Morris, lecturer on international arbitration and procedure at the Yale Law School, 1904–1911, with a commendatory foreword by President Taft, is composed chiefly of summaries of decided cases. A substantial exception to this rule is furnished in an argument in support of the exclusion, as advocated by President Taft, of qualifying phrases, such as "vital interests" and "national honor," from arbitration treaties. No citations are given of the sources from which the summaries are made, but, if the summaries are accurate, the sources were often remarkably erroneous. We are told, for instances, that the "Parliament of France" won a great reputation as a peacemaker (page 9); that the treaty of 1783 gave the Americans the "right" to "cure and dry fish in the unsettled bays, harbors and creeks of Nova Scotia, the Magdalen Islands and Labrador" (page 67); that, by the convention of 1818, the inhabitants of each country were kept out of the "rivers and mouths of rivers" belonging to the other (page 68); that the "Alabama" and other Confederate cruisers fitted out in British jurisdiction were "privateers" (page 74); that Sir A. Cockburn cast "the only dissenting vote" (page 75) in the Geneva award, no reference being made to his concurrence in the judgment of culpability in the principal case of the "Alabama"; that, in the treaty of arbitration, England made "a formal apology and acknowledgment of guilt" (page 98). No date is assigned (page 34) to the decision of King Leopold in the dispute between Great Britain and Brazil, nor is the name of the case —that of H. B. M. S. "Forte"—given. In other cases than those instanced the author's text shows need of revision and of a more careful reading of the sources to which he may be supposed to have resorted. It is obvious that the sources themselves, including the texts of treaties and awards, cannot have been uniformly at fault.

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In the arbitration of the questions as to the rights of the United States in the fisheries adjacent to the Atlantic coasts of British North America, before the Permanent Court of the Hague, in 1910, it is well known that Mr. Root appeared as chief counsel for the United States. He had negotiated on the part of the latter the treaty under which the submission was made, and it was peculiarly appropriate that he should appear as the principal champion of his government's cause in the final contest. It is needless to say that his argument was able and thorough. It is now reprinted by the World Peace Foundation in a volume entitled: *Argument of the Honorable Elihu Root on behalf of the United States before the North Atlantic Coast Fisheries Arbitration Tribunal at The Hague, 1910* (Boston, 1912; cli, 523 pp.). There is an introduction by James Brown Scott, of counsel for the United States, and also an appendix containing certain treaty texts, some diplomatic correspondence and the award.

A useful exposition of a principle much discussed in recent years may be found in *Neutralization* (London, New York and Toronto, Henry Frowde, Oxford University Press, 1911; viii, 91 pp.) by Cyrus French Wicker. It embraces an analysis of the conception of permanent neutrality, a summary of treaties of neutralization and an explanation of the effects of neutralization. The concluding part of the volume, entitled "The United States and Neutralization," consists of a reprint, with slight changes, of an article advocating the neutralization of the Philippine Islands which appeared in the *Atlantic Monthly* for September, 1910. It is not clear whether the author, in stating (page 33) that the United States, at the Congo Conference at Berlin in 1885, "joined for the first time in a treaty of neutralization," intentionally excluded from that category the treaty with New Granada of 1846 and the Clayton-Bulwer treaty of 1850, the latter of which he mentions in another place. These were both treaties of neutralization, but it is also true that the original design of inviting the adhesion of other nations was never carried out, so that the status intended to be created by them was never completely established. It may also be pointed out that the Berlin Act of 1885, although Mr. Kasson, the representative of the United States in the conference, took a leading part in framing it, was withheld from the Senate, in deference to the then traditional policy of the United States to abstain from "entangling alliances."

Any intelligent reviewer of *Intimacies of Court and Society: An Unconventional Narrative of Unofficial Days* (New York, Dodd, Mead and Company, 1912; xii, 336 pp.), by "The Widow of an American

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Diplomat," will feel a certain sense of despair if he permits himself to reflect that copies of the volume may fall into the hand of readers who, being without information as to the subjects to which it professedly relates, may assume that it contains genuine reminiscences, and may thus be led to accept the street gossip of one capital concerning the doings in another as a veracious description of actual incidents and conditions. Readers even superficially acquainted with things as they are will need no caution; they will readily detect the imposition. Conjecture as to the author's identity would be idle and unimportant. If there be any American element in it, the misuse of terms, the anachronisms, the faulty repetition of stories long current, and the general air of burlesque and caricature pervading whatever relates to life, official and unofficial, in Washington, must be admitted effectually to have concealed it. For similar reasons, however, it would be difficult to form definite associations with other quarters. It may surprise those who have lately seen M. Clemenceau speak with vivacity in public, for an hour or more at a time, to learn that, although he is in his early sixties, he "looks eighty."

In his *Fifty Years of Public Service* (Chicago, A. C. McClurg and Company, 1911; xi, 466 pp.) Senator Shelby M. Cullom describes some of the incidents of a long and active life, which began in the month of Jackson's first election to the presidency. So continuous and extended a political career is perhaps without parallel in the history of the country. It began with his election as city attorney of Springfield, Illinois, in 1855. Afterwards he was a member (once speaker) of the lower house of the state legislature, governor for six years, a representative in Congress, and for five successive terms United States senator. Unfortunately his reminiscences, which might have illuminated many controversial questions, are no more confiding than the pen of a successful politician usually makes them. Few of the men who figure in the book could derive anything but gratification from reading it. There are only vague hints at occurrences which verge upon impropriety, as when Justice Miller "urged me to come along" and practise before the Supreme Court, "saying he would take care of me" (page 209). Frequently, however, and without any idea of reprehending them, light is shed upon some of the vicious practices, such as log-rolling, which have played a part in degrading our politics. The author tells ingenuously how he voted against the income tax in 1894, because the party opposed it, and how he has come to regard it as "a very wise measure," since the party now does too. There are occasionally vivid illustrations of the actual processes of government; for instance, something of McKinley's

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power is revealed in the way he could disregard senatorial recommendations for appointments without giving offence or alienating loyality. Although not openly hostile to the Progressives, Mr. Cullom, in the atmosphere of the Senate, apparently fails to feel the new winds that are blowing over the prairies.

My Story (New York, B. W. Huebsch, 1911; xxxiii, 326 pp.) is the title given to the autobiography that was dictated by Tom L. Johnson during the last five months of his life and afterwards edited by his friend, Miss Elizabeth Hauser. It is by no means a colorless narrative. There is a dramatic quality in the career of a man who, at eleven, was supporting his family by selling newspapers; who at twenty-two, as the result of his native resourcefulness and the invention of a fare-box, was able to purchase a controlling interest in the Indianapolis street railway; and who, while still in his full prime and with a fortune of several millions made in exploiting the public, turned his great abilities and his business experience to the service of radical democracy. Most of the book is devoted to the nine years during which Johnson was mayor of Cleveland; and, as Miss Hauser shows in the introduction, it was not without good reason that Lincoln Steffens called him "the best mayor" and Cleveland "the best governed city." In no American city has so much been accomplished in the face of such opposition. The most notable recent reforms in municipal government were foreshadowed by Johnson; even the numerous bureaus of municipal research are descended from his "tax school" and his picture-shows of scandalous assessments. He is a little fond of sermonizing on municipal ownership, single tax and the war against Privilege. But the account of his long struggle with Mark Hanna (not so attractive a Hanna as appears in Croly's recent portrait) helps to explain why so many people distrust the courts and are always ready for an assault upon public-service corporations.

Professor W. L. Fleming, of the University of Louisiana, has once more put students of war-time history under a great obligation by editing the attractive volume entitled: *General Sherman as College President* (Cleveland, The A. H. Clark Company, 1912; 399 pp.). This is a collection of letters and documents relating to the first years of the Louisiana Seminary of Learning and Military Institute, of which Sherman was superintendent from its organization till the secession of Louisiana in 1861. A large part of the collection consists of hitherto unpublished letters of Sherman himself. They put in a most vivid light the personality of the general and at the same time give a fascinating view of the conditions, political, social and intellectual, in Louisiana at the outbreak of the Civil War. Sherman's warnings to his

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brother John of the consequences that would follow too vigorous an anti-slavery pressure by the Republicans appear here as elsewhere among the most entertaining features of the fraternal intercourse. "Disunion," wrote the future general early in 1860, "would be civil war, and you politicians would lose all charm. Military men would then step on the *tapis*, and you would have to retire." This prediction must have come back more than once to John Sherman's mind as he saw with bitterness the highest political honor of the nation pass him by, to rest upon Grant and Hayes and Garfield and Harrison—generals all—and even upon the humble major, McKinley.

In view of the fact that the state of Ohio has been engaged during the last few months in a thoroughgoing revision of its constitution, Mr. I. F. Patterson's collection, *The Constitution of Ohio* (Cleveland, The Arthur H. Clark Company, 1912; 358 pp.), is of practical as well as of historical value. It includes a brief historical introduction; the early acts of Congress relative to the Northwest territory and Ohio; the two constitutions of 1802 and 1851; the proposed constitution of 1875; proposed and adopted amendments to the two constitutions in chronological order; the documents relative to the calling of the convention of 1912; and some extracts from newspapers on the convention of 1850 and the proposed constitution of 1874. If so handy a compilation existed for every state in the Union, the student of constitutional history would be grateful.

Dr. Ambler's *Sectionalism in Virginia from 1776 to 1861* (Chicago University Press, 1910; ix, 366 pp.) is a commendable beginning of a line of research which aims to reconstruct the political history of the United States by substituting a minute analysis of local economic conditions for a study of the *Congressional Record*. The author covers the period between the Revolution and the Civil War, giving special attention to the Federalists and the Republicans, the rise of the National Republican party, sectionalism in the constitutional convention of 1829, alignments on slavery and nullification, the social foundations of Whiggery, and the cleavage on the eve of the Civil War. By his scrutiny of the vote and of the attitude of the leaders in every important conflict in the state during the period, Dr. Ambler shows the clear-cut antagonism between the tide-water regions of large estates and the frontier with its soil-tilling farmers—an antagonism that resulted finally in the dismemberment of the commonwealth along lines corresponding to the economic division. The material interests behind those who supported the federal Constitution (page 52), the resumption (page 62), the Virginia Resolutions (page 71), the ratification of the

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constitution of 1830 (page 172) and the approval of slavery in 1832 (page 199) are carefully presented; and in other cases where the alignment is not so sharp or obvious, Dr. Ambler presses his analysis as far as the scope of his work will permit. In no instance, however, does he seem to be warping his facts to fit his preconceptions. On the contrary, he is quick to acknowledge a situation too complex for tabulation. If the plan of this work were closely followed in the study of parties in every state, the basis would be laid for something approaching a scientific history of politics in the United States.

The purpose of *Progress and Prosperity* (New York, The National Education Publishing Company, 1911; xxxii, 887 pp.), as stated by the author, Mr. William DeHertburn Washington, in his foreword, is to tell that story of our material civilization which scientists and historians have alike ignored. The book shows no inconsiderable expenditure of time and labor, and the facts collected are vividly and suggestively, if sometimes crudely, presented. The arrangement is rather haphazard, and the field covered is narrower than the title or the preface indicates, for the book is almost entirely concerned with the history of transportation, the other elements in our progress being treated, for the most part, as contingent upon this single line of development. The volume is indeed large enough to make criticism of omissions seem captious; but it contains matter that the critical reader would not have missed—estimates, for example, of the size of Noah's ark. The book is expensively bound and contains over 1200 illustrations.

It is a good indication of the continuously growing interest in the history and political development of the Dominion of Canada that, even in the hands of such careful and experienced editors as Professor George M. Wrong and Mr. W. Stewart Wallace, the latest volume of the *Review of Historical Publications relating to Canada* (Toronto University Press, 1912), which deals with the historical publications relating to Canada issued in 1911, contains 213 pages of text. Counting reviews and magazine articles and government reports—chiefly those of the government of Ontario—there were in 1911 over two hundred and thirty publications directly or indirectly concerned with Canada. Moreover the list cannot be complete; for there is no mention of James J. Harpell's pamphlet of 182 pages on *Canadian National Economy: The Causes of High Prices and their Effect upon the Country*, published in Toronto, with a preface dated March, 1911, nor of the valuable detailed report of the committee of the synod of the diocese of Toronto on the *Ne temere* decree, also published in Toronto in September, 1911. The books and articles reviewed are grouped into

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seven sub-divisions: (1) the relations of the dominion to the empire; (2) the history of Canada; (3) provincial and local history; (4) geography, economics and statistics; (5) archæology, ethnology and folk-lore; (6) law, education and ecclesiastical history; and (7) bibliographies. All the reviews are written with evident care. The assignment of space is judicious; and even the shorter notices are sufficiently descriptive to enable a student to realize whether a book is likely to contain anything that will be helpful to him in any research in which he may be engaged. This is the sixteenth annual issue of the *Review*. Its importance to students is so obvious as to occasion a feeling of regret that it was not begun sixty years ago. Associated with the editors in this year's issue were Professors A. P. Coleman, B. E. Fernow, W. B. Munro, W. L. Grant, A. F. Chamberlain, Col. William Wood, Dr. A. E. U. Colquhoun, Archdeacon Raymond, Judge Howay and Dr. S. McLean. Only the longer reviews of the more important books are signed.

The Macmillan Company has done real service in printing a cheaper edition of John Morley's monumental *Life of William Ewart Gladstone*. It is bound in two volumes, instead of three, and is accessible at a sufficiently reduced price to secure its entry into many school libraries where its original cost may have been prohibitive. The two volumes contain only slightly over 600 pages (continuous pagination), and although paper and presswork give indications of the cheaper preparation, the binding is good and the print is clear. There should be no need to comment upon the book; yet the Victorian era already seems so far away that it may be necessary to reawaken our interest by recalling that Morley's book has a nearer appeal than its subject. Morley himself links our era with the past; and there are few nobler monuments in English literature than this which he has erected to a statesman at whose exalted seriousness he could smile, whose religion he rejects, yet whose character and genius he reverences.

Professor R. P. Jameson of Oberlin College has published in French a very thorough study of the origins of the movement against slavery in France in the eighteenth century: *Montesquieu et l'esclavage* (Paris, Hachette, 1911; 370 pp.). The book was prepared as a doctoral thesis at the University of Paris, and it bears the marks of that intensive criticism, that care in the sifting of evidence and in the analysis of sources which is characteristic of such publications. At the same time the author risks a wider horizon. He opens with a short survey of the history of slavery and of the treatment of the negro, particularly by the French. The ideas of Montesquieu in the fifteenth book of the *Esprit*

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des Lois are then analyzed, their origins investigated and their results estimated. A good bibliography accompanies the text.

Der staatsrechtliche Ausgleich zwischen Österreich und Ungarn, by Dr. Ivan Zolger (Leipsic, Duncker and Humblot, 1911; xiii, 354 pp.), is almost entirely devoted to the Hungarian *Ausgleich* law of 1867. The author gives in parallel columns the Hungarian text and a painstaking German translation, with elaborate notes upon all doubtful words or points. The text of the Hungarian law is not long, but with translation and critical apparatus it covers more than two hundred and fifty pages. After the Hungarian law is printed the Austrian *Ausgleich* law, and this is followed by the German texts of both the laws, printed in parallel columns, so that their provisions may be easily compared. These texts are preceded by a brief but admirable introduction, dealing with the framing of the *Ausgleich* laws. Dr. Zolger's work is in no sense a treatise, but it will be an almost indispensable aid to a study of the *Ausgleich*, for in it alone is available a thoroughly reliable German text of the Hungarian law. The volume supplements but in no way replaces Eisenmann's valuable work on *Le Compromis Austro-Hongrois de 1867*.

In the University of London, as in some of the American universities, doctoral dissertations occasionally expand into impressive volumes, and some of these are important not only in bulk but in content. In the latter list belongs *The Political Development of Japan, 1867–1909* (London, Constable and Company, 1910; xxiv, 296 pp.). The author, Mr. George Etsujiro Uyehara, was a student in the London School of Economics and Political Science, and his book, which appears as number 19 in the "Studies" edited by the director of that school, was submitted as a thesis for the degree of doctor of science. The scope of the volume is imperfectly indicated by its title. On the basis of a study of "The Nation and its Political Mind" (pages 3–33) and of the internal political history of Japan since the Restoration of 1867 (pages 37–120), Mr. Uyehara gives us, in the second part of his book, not only "Some Theoretical Aspects of the Constitution"—again an inadequate title—but a detailed analysis of the organization of government and of liberty in the constitution (pages 123–187); and in the third part a fairly full sketch of "The Working of the Constitution" (pages 191–273). His book is thus really a treatise on the constitutional law and politics of Japan. An appendix contains the text of the constitution and tables showing the composition of the successive ministries and of the Privy Council.

In his treatise on *The Economic Transition in India* (London, John

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Murray, 1911; 251 pp.) Sir Theodore Morrison has brought together the substance of a course of lectures given at the University of London on a variety of themes connected with the social, industrial and commercial history of India, more especially in recent times. In his effort to make the peculiar situation of the land and people easily intelligible, he uses somewhat to excess a comparative mode of presentation, choosing examples from the economic history of European and Asiatic countries which appear to offer suitable points of similarity or contrast. After discussing certain archaic forms of industry, he passes on to a consideration of such topics as the village, competitive rents, indebtedness, famine, the weaver, the industrial transition and the "drain" or that portion of India's debits in any one year for which no material equivalent in goods or money is received. Having ascertained approximately the amount of the "drain" and the extent to which other countries are similarly affected, the author describes in some detail the economic equivalents for the outgo in question. These he finds to consist in the equipment of modern industry with which India has been supplied under British rule and in the existence of an administration distinctly favorable to economic evolution, which India obtains more cheaply than could be provided by its own efforts.

One of the principal problems in the origin of credit instruments in the middle ages is the part that was played by the great national and international fairs. Miss Elisabeth Bassermann has made a careful study of the six great international fairs in Troyes and the neighboring cities, during the thirteenth and fourteenth centuries, in *Die Champagnermessen: Ein Beitrag zur Geschichte des Kredits* (Tübingen, Mohr, 1911; 92 pp.). She discusses especially the official transactions under the auspices of the government and the non-official credit operations which were chiefly in the hands of the Italians. Students will find this monograph an interesting contribution to the history of bills of exchange.

One of the most striking of recent contributions to economic history is *The Periplus of the Erythræan Sea: Travel and Trade in the Indian Ocean by a Merchant of the First Century*, translated and annotated by Wilfred H. Schoff (New York, Longmans, Green and Company, 1912; 123 pp.). The book itself, which describes the voyage of this Berenice trader, occupies only slightly more than twenty-five pages and is a rather matter-of-fact production, crowded with all manner of commercial and geographical details. But the several hundred pages of notes are most interesting and bring together from all kinds of sources a mass of information.

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Dr. Rudolph Biach, working under the direction of Professor Sieveking of Vienna, has issued a German translation of the first edition (1664) of Thomas Mun's *England's Treasure by Foreign Trade*, and he has prefaced it with a lengthy essay dealing with the significance of Mun's classic. Dr. Biach explains that for the most part it has been impossible for him to make use of primary sources, and that he has relied largely upon familiar apparatus. The text of the tract is embellished, as in the case of Professor Ashley's edition, with a facsimile of the 1664 title-page. It would have been a further service to have indicated the original pagination.

In his *Geschichte der englischen Bodenreformtheorien* (Leipsic, C. L. Hirschfeld, 1910; 223 pp.), Dr. Heinrich Niehaus gives a summary account of the chief English writers on land reform. He classifies them into the national-rights school and the Ricardian school, subdividing the former into the rationalists (Spence, Ogilvie and Paine), the Physiocrats (Grey, Hall and Ravenstone), the Chartists (Cobbett, O'Connor and O'Brien) and the evolutionists (Dove and Spencer), with Wallace in a separate division by himself. The Ricardians are the Mills and Henry George. To English readers the monograph will not bring much that is new, but it presents the subject in convenient form.

In a recent number of the Munich contributions to Romance and English philology, Dr. Gotthilf Dierlamm discusses a number of less well-known Chartist pamphlets under the title: *Die Flugschriftenliteratur der Chartistenbewegung und ihr Widerhall in der öffentlichen Meinung* (Leipsic, Böhme; 105 pp.). Unfortunately the monograph is very incomplete: it deals with only a fraction of the important periodical and pamphlet literature of the movement. It ought to have been called an introduction to the fugitive literature of the period. The field is still left open for a really comprehensive study.

Number six of the social and economic studies edited by Professor Grünberg of Vienna is a monograph by Dr. Carl Koepp, entitled *Das Verhältnis der Mehrwerttheorien von Karl Marx und Thomas Hodgskin* (Vienna, Carl Konegan, 1911; 299 pp.). Hodgskin has been more fortunate in his French and German than in his English commentators. Only a few years ago M. Halévy devoted an entire volume to Hodgskin, and now Dr. Koepp gives us a careful study of the same writer. The conclusions of Dr. Koepp do not differ widely from those of his French predecessor. Marx found many ideas in the French and English literature of the time which he utilized. Hodgskin's theory of surplus value had undoubtedly some influence on Marx, but it did not by any means form the foundation stone of Marx's

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great work. Those who are acquainted with Halévy's work will find little of additional value in this German monograph.

Mr. H. Stanley Jevons, professor of economics and political science in the University College of South Wales and Monmouthshire, has edited a fourth edition of the classic *Theory of Political Economy* of his father, the late W. Stanley Jevons (London and New York, The Macmillan Company, 1911; lxiv, 339 pp.). The new edition is welcome. It differs from the third edition chiefly in the appendices, where new material has been added. Appendix I is an effort to show that Jevons had anticipated some later ideas in the theory of interest.

Achille Loria's *La Sintesi economica* has appeared in French under the title, *La Synthèse économique* (Paris, M. Giard and E. Brière, 1911; 522 pp.). The translation is by Camille Monet. The Italian edition was reviewed a year ago in this journal (vol. xxvi, p. 530) by Professor Alvin S. Johnson.

Professor Hermann Schumacher, of the University of Bonn, has published a series of essays entitled *Weltwirtschaftliche Studien* (Leipsic, Veit and Company, 1911; viii, 574 pp.) that constitute a characteristic product of German erudition and thoroughness. The essays deal with such subjects as the causes of the panic of 1907, concentration in German banking, the organization of foreign trade in China and German shipping interests in the Pacific. Although the essays are written primarily from the point of view of German interests, they contain much that appeals to the general student and especially to Americans. The description of the organization of the grain trade in the United States and the comparative study of large-scale industry in the United States and in Germany deserve translation into English. In the appendix is printed in English the address delivered by Professor Schumacher at the time of his installation as the first Kaiser Wilhelm professor at Columbia University.

A new edition of the great classic of English financial literature, Walter Bagehot's *Lombard Street*, to which Mr. Hartley Withers contributes an introduction and the corrections required by developments since Bagehot's time, has been published by E. P. Dutton and Company, (New York, 1910; xxviii, 272 pp.). Much of what Bagehot wrote is still of more than historical value; but the permanent interest of his book is in its analysis and criticism of English banking in his day and in his prophecies concerning the development of that system in the future.

The reform of our banking system is to be one of the issues in the coming presidential campaign. Both parties—or shall we say the three

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parties?—have pledged themselves to do something; the question is: what more definite program will each party formulate? Issue will probably he joined over the question of centralization. In view of this probability, J. H. Cowperthwait's *Separate Reserve Associations* (New York, The American News Company, 1912; 43 pp.) is timely as well as valuable. While tolerant, on the whole, toward the national reserve-association scheme, Mr. Cowperthwait still regards it as impracticable and possibly dangerous. He advocates the scheme of separate reserve associations as better suited to American conditions, ample for present purposes and offering some hope of realization.

The question of bank-note issue is one that interests us in the United States only in times of panic, when the absence of an elastic currency is painfully felt by all. The peculiarity of our own system is set in marked relief in Ivar Hultman's *Die Centralnotenbanken Europas* (Berlin, Bank Verlag, 1912; 200 pp.). This is a study of central banks of issue in nineteen different European countries; the national banking system of the United States is described in an appendix. Centralization and practical monopoly of issue is the rule in Europe, while extreme decentralization marks our own system. Hultman gives simply the main features of the different systems and their working, but there is enough for an interesting and valuable comparison. American students would take exception to the statement (page 196) that the absence of an elastic currency was largely responsible for the development of the check system in the United States. The book was written originally in Swedish; the German translation is by W. C. Degan.

The increasing importance attached to problems of the public debt in Germany is attested by the appearance of Dr. J. J. Berckum's *Das Staatsschuldenproblem im Lichte der klassischen Nationalökonomie* (Leipsic, Deichert, 1911; 243 pp.). After a short introduction, giving a sketch of the history of public debts in mediæval and modern times, the author deals at great length with the views of Quesnay, Adam Smith, Malthus, Ricardo, Say and Mill on the subject. Although written in a style by no means engaging, the monograph will be found useful by students of the history of finance.

Dr. Thomas Goldfrost's *Treatise on the Federal Corporation Tax Law* (Albany, Matthew Bender and Company, 1911; 321 pp.) is of interest not only to the practising lawyer but also to the student of finance. A series of appendices contain the text of the law, a number of important regulations of the Treasury Department and various opinions of the attorney-general, as well as a complete list of the settlements of returns to be used by the various companies.

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Professor E. S. Meade's *Corporation Finance* (New York, D. Appleton and Company, 1910; xxii, 468 pp.) is, in many respects, a valuable book. There is a wealth of descriptive detail not elsewhere easily accessible, and the thought is, on the whole, clean-cut and vigorous. It is therefore, the more to be regretted that the author did subject his manuscript to more careful revision. Evidences of haste and carelessness are numerous, in faults of style, in slip-shod arguments and in the too free use of scissors and paste. The arrangement is unsatisfactory, and there is no little repetition. The book is intended for class-room use. It is to be commended as probably the best book available for a course in corporation finance. It would be more useful, however, if the book-keeping terms introduced were more carefully explained. It would be a better book, too, for the class room, if the author had made clear at the outset that his book is written from the business point of view. As it is, he sets forth with apparent approval doctrines which he would probably not defend on social grounds.

Sullivan's *American Corporations* (New York, D. Appleton and Company, 1910; xiii, 458 pp.) is an excellent elementary treatise for business students on corporation law. The style and arrangement are simple and clear, and the book is made decidedly interesting by the introduction of numerous summaries of cases, which are used as illustrative material.

Interest in the trust problem manifests itself in numerous books and a bewildering array of periodical literature. Highly significant is the volume issued this year by the American Academy of Political and Social Science (the July number of the *Annals*), containing the discussions of the distinguished group of economists, men in official life, corporation managers and attorneys, labor leaders and others, who met at Philadelphia recently to consider the problems of industrial competition and combination. It is noteworthy that the general tone of this discussion manifests a waning belief in the "economies of combination" and a reviving faith in the power and persistence of competition, together with a belief that its sphere should be enlarged.

Interesting also is *Concentration and Control*, by President Charles R. Van Hise of Wisconsin University (New York, The Macmillan Company, 1912; xiii, 268 pp.). This is a thoughtful work by a scholar whose primary interests have not been in economics. President Van Hise is essentially an apologist for combination. Recognizing the evils of the existing situation, he still thinks it possible to preserve the advantages of combination and to eliminate the evils. He believes that legislation designed to restore competition is futile, and that "trust busting" has

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been and will be a failure. It is to be regretted that he has apparently swallowed whole the theories set forth in trust prospectuses as to the "economies of combination." It is to be noted, too, that his conclusions with reference to the futility of state legislation against the trusts do not seem to take any account of the Missouri and Texas cases ousting Standard Oil or of the Missouri ouster of the Harvester trust. At all events, he does not mention them in his discussion of state laws and decisions. The book is well organized and readable, and is to be commended to the general reader.

For some years projects for the complete rehabilitation of our internal waterways have been the subject of much discussion. Their precise function and their relation to newer agencies of communication are comprehensively considered in a book by Harold G. Moulton, recently published in the Hart, Schaffner and Marx prize-essay series, entitled *Waterways versus Railways* (Boston and New York, Houghton Mifflin Company, 1912; xvii, 468 pp.). The comparative advantages of waterways and railways in the light of modern needs are set forth most fully, and the experience of Europe is appealed to as a guide in the solution of the problem in the United States. Maps and charts are supplied in effective abundance. In general Mr. Moulton's study tends to damp enthusiasm for waterways as competitors of or substitutes for railways, but it strengthens the conviction that waterways are necessary as supplements to the railways.

A very satisfactory elementary study, but one which adds little to accepted theory, is W. A. Layton's *An Introduction to the Study of Prices* (London, Macmillan and Company, 1912). The treatment is largely historical, showing the intimate relation between the price level and the output of the precious metals. The book contains some useful statistical tables and diagrams.

A comparison between the working and living conditions of the workmen of Europe and those of America from the viewpoint of the American laborer naturally arouses more than a passing interest. Samuel Gompers, president of the American Federation of Labor, makes such a comparison in his *Labor in Europe and America* (New York, Harper and Brothers, 1910; xi, 286 pp.). It is pleasant to learn that, after careful personal observation, Mr. Gompers finds the advantage, on the whole, overwhelmingly on the side of America.

A number of lectures delivered in the Page series at Yale by Mr. Norman Hapgood have now appeared in printed form, under the title: *Industry and Progress* (New Haven, Yale University Press, 1911; 123 pp.). No one acquainted with *Collier's Weekly* would have any

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doubt as to the nature of the message contained in a series of essays by its editor, dealing with such topics as employment, labor, production, distribution and progress. Social justice is the keynote of the message; but it is social justice that includes old and new attainment, and not something that has been lost and must now be regained. There is much in the modern social life to criticize; but criticism, according to Mr. Hapgood, is justified now by the possibilities of the future rather than by the derelictions of the past.

Although statesmen in every western country are perplexed by social unrest, it has apparently reached the highest degree of acuteness in England. A scholarly interpretation of this unrest is given by Professor D. H. Macgregor in *The Evolution of Industry* (New York, Henry Holt and Company, 1912; vii, 254 pp.). The author gives little in the way of historical narrative or descriptive detail. He is interested rather in underlying forces and the directions in which they are carrying us. The situation thus far he seems to regard as hopeful, but the question of immediate importance is under what leadership the new democracy is to go forward. The author, it hardly needs to be said, is in sympathy with the forward, democratic movement.

Starting from a basis of religious dogma, Mr. W. Cunningham attempts, in his *Christianity and Social Questions* (New York, Charles Scribner's Sons, 1910; xv, 232 pp.), to "reconcile" the problems of modern society with theological Christianity. "Christianity," he writes, "can claim to set forth a philosophy of life which helps to solve the apparent contradictions that seem so puzzling." "It is less misleading than any external standard," because it aims to secure "ideals of good order on the one hand, and of independence on the other." In similar terms, the author continues his demonstration of the superior efficacy of the Christian religion to solve modern problems, by describing in a mass of ill-assorted chapters—"World Wide Influences," "National Economic Life", "Personal Duty" and so forth—the theoretical effects of applied Christianity. Those ideas which do not have a direct bearing upon religion he describes as "half truths." His concluding chapters deal with "Secularized Christianity" and the "Christianity of Christ." The attitude of the book is well summed up in the following sentences, which occur in a discussion of "Mundane Theocracies":

> There has always been a temptation to look too much at the constitution of society and the possibility of modifying it in a Christian sense, and to neglect the primary claims of the spiritual life. . . a temptation for Christianity to adapt itself to the spirit of the age and conform to the conditions of

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society, to such an extent that it loses the power of transforming them into closer accordance with its own ideals.

Despite the author's laudable intentions, his effort to state Christian ideals is unfortunate; his exposition of the modern attitude toward life is misleading; his summary of present social conditions is incomplete.

La Vie Politique dans les Deux Mondes, for the parliamentary year October 1, 1909—September 30, 1910 (Paris, Félix Alcan, 1911; 622 pp.), appears under the editorship of MM. Viallate and Caudel. Like the preceding volumes in the series it is a political record of the year in each of the countries of the world, supplemented by chapters on diplomatic and international affairs. A glance through the detailed analytical table of contents and the index shows that no significant event or issue has escaped the notice of the editors. The balance, the clarity and the effective arrangement of this work make it easily the first among all the political annuals now published. Whether it be the death of Lueger in Vienna, the revolution in Portugal, the policy of the Holy See, the troubles of Tibet, agrarian legislation in Russia, trusts in the United States or Knox *versus* Zelaya on which the student of current history seeks information, he will find the pages of this annual illuminating.

The New International Year-Book has won a recognized position as a reference book. It is as nearly up-to-date as such a book can well be. The latest issue (New York, Dodd, Mead and Company, 1912; 808 pp.) gives an account of all the important movements of the year 1911 in science, art and politics. Careful annual revision gives to its articles a freshness and crispness that would hardly be expected in a publication of this character.

Under its new editor, Mr. Francis G. Wickware, *The American Year Book* for 1911 (New York, D. Appleton and Company, 1912; xx, 861 pp.) maintains the standard of excellence set by the initial volume. The number of learned societies coöperating in the preparation of the work has been increased, and there has been some rearrangement of topics, but in general the form and method of treatment are the same. It is not a political annual, for political and statistical details are sharply condensed. It is in reality an appreciation of American activities in every line, social, economic, scientific and literary; and each division of the field is covered by an expert, who endeavors to select for his record the facts of permanent significance.

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